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ABSTRACT

This manual presents an experiential methodology for teaching consumer affairs. It is intended primarily as a resource for consumer education teachers and group leaders. Part 1 of the book introduces a philosophy of education and presents a description of the teaching method. The method involves the use of small groups and techniques such as brainstorming and role playing. Also included in part 1 is a chapter on planning consumer education programs. Part 2 contains twenty-two structured exercises designed to address the following consumer topics: values and financial goals; budgeting and money management; wise shopping; credit and consumer protection laws; the businessman and consumer; rights and responsibilities; and seeking help with consumer problems. For the group leader, each exercise is presented with directions and suggestions in the following format: goals, group size, time required, materials utilized, physical setting, process, and tips for the leader. (CSS)

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THE DOING BOOK

AN EXPERIENTIAL APPROACH

TO CONSUMER EDUCATION

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Finally, we want to express our appreciation to our workshop participants in the cities of Lowell and Woburn. Their enthusiastic response to our approach to consumer affairs inspired us to develop this manual.

T. J. B.

FOREWORD

Gone are the days when a teacher can effectively communicate with students by lecturing from the front of the room and avoiding any interaction with students. But is there another way to teach?

The Doing Book offers the consumer educator a viable and exciting alternative to traditional teaching methods. This pioneering guide provides the teacher and group leader with methods that actively involve students in their own learning. The structured exercises are designed to make consumer affairs immediately relevant to the lives of all students whether they be adolescents or adults. This experiential approach enables the teacher to develop rapport with his students in an atmosphere where everyone is free to share his ideas and problems.

Personally, I had an opportunity to be involved in these teaching methods at the Training Institute for Consumer Educators at Middlesex Community College in June of 1973. I can not forget the enthusiasm, laughter and intense involvement of the participants. Working closely with many different people in small groups was especially enjoyable. Above all, my sensitivity to other people's life styles and value systems was increased. I was so enthusiastic about this approach to consumer education that I invited the Staff of the Consumer Resource Center of Middlesex Community College to demonstrate these methods at my graduate course in consumer resources at Simmons College in Boston.

It is important to recognize that this manual is a *guide* instead of a Bible. It should be adapted to your needs, whether you are assuming the role of an individual consumer, community leader, or teacher. We ALL have the challenge to understand, communicate and apply principles of consumer economics to everyday concerns. I am convinced that this can best be accomplished through experiential education.

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INTRODUCTION

SCOPE AND ASSUMPTIONS

This manual is designed to present a methodology for teaching consumer affairs. It is written primarily as a resource for consumer education teachers and group leaders who are interested in making their material more relevant and meaningful to their participants.

We begin with the assumption that the reader has some familiarity with the specific content of consumer affairs. Our intent is to concentrate on the process of transferring consumer information to group participants through the method of experiential education.

The specific approach we present is based upon experiential education. Part I of this book introduces our philosophy of education and presents a detailed description of our methods. Also included here is a chapter on planning consumer education programs. We recommend strongly that the reader give his careful attention to these beginning chapters. Part II is a series of twenty-two structured exercises designed to teach selected consumer topics. Each exercise is accompanied by specific directions and suggestions for the group leader.

While we assume content sophistication in the reader, we also assume naivete in participants. The exercises in Part II are thus addressed to those participants who have little consumer knowledge or experience. If the reader is working with more advanced groups, the exercises can and should be modified to include information more relevant to the members' level of understanding.

Our purpose in writing this book is not to make the reader an instant master of consumer information, but rather a more effective communicator of consumer knowledge. Therefore, it is not a collection of the latest consumer laws and information. Because such resources exist in abundance however, we have included a brief list of bibliographies for those readers who might find it useful.

These exercises were designed for teaching adults with low incomes and limited formal education, as well as professionals and paraprofessionals from various social service agencies. The exercises can be adapted, however, for use with people of varied incomes as well as younger participants. We also feel that this guide will be invaluable in training consumer affairs teachers. If teachers themselves experience these methods, they will have the confidence and skills to try this approach in the future.

Throughout this book, we refer to "participants", "leader" and "workshop", because these words have wider application than "student", "teacher" and "classroom". Please note that several of the exercises relate to specific state laws in Massachusetts where this book was written. Therefore, readers from other states should check with their Attorney General's Office to see if their state has comparable laws.

Although *The Doing Book* is copyrighted, there are few implied restrictions concerning the reproduction of its contents. Readers should feel free to duplicate and/or modify the exercises, role play descriptions, etc. for educational purposes. However, reproduction of any of our material for use in other publication may be done only with the prior consent of Middlesex Community College.

BACKGROUND

This manual was written and developed by the Consumer Resource Center of Middlesex Community College, Bedford, Massachusetts. The Consumer Resource Center was established in January, 1972, under a one year federal Vocational Education Grant to provide consumer education to disadvantaged adults in the city of Lowell and other parts of Northern Middlesex County.

In order to create an effective approach to teaching consumer information to disadvantaged adults, Tamara Bliss, the Director of the Consumer Resource Center, developed an interdisciplinary staff with expertise in consumer economics, adult education, psychology, community organization and social work. With the combined skills of its members, the team created innovative methods of teaching consumer affairs. We feel that the experiential approach is well worth expanded use and hope our readers will use it in that spirit.

T. J. B.
J. C. H.
L. S. K.
J. S. M.

I. EXPERIENTIAL EDUCATION

AND CONSUMER AFFAIRS

CHAPTER 1
THE DOING BOOK

This book is not just a reading book, it is a "Doing Book". It is *not* meant to be taken home, memorized and regurgitated on an examination. In fact, memorizing this material will do little more than waste your time and the time of your participants. Instead, you should experience this book through doing the exercises.

Learning by doing enables the learner to develop a kind of "body memory" instead of just a "mind memory". In "the doing" you bring all your senses into play. Memorizing and listening to lectures are relatively passive tasks, whereas active involvement stimulates your ability to absorb and retain material much more readily and thoroughly. In a sense, the method we propose is for the learner to experience the material that is being taught.

We have created imaginary situations and exercises in this book which can apply to you and to all of your participants whether their income is below the poverty line or up in the 70% tax bracket. Take, for example, the situation in which a shifty sales person has talked you into spending $500 on a living room set when you planned to spend $135. It is one thing to talk about this situation and yet another to experience it. We are not suggesting that you set yourself up as a "sucker" so that you can see how it feels. Rather, we present an exercise which simulates a bait and switch situation, enabling you and your group members to experience this predicament without leaving the meeting room. This experience helps the learner not only to recognize the situation when it occurs but also to learn how to prevent it from recurring.

THE ADULT LEARNER – AN EXPERT ON HIS OWN LIFE

While this book can be used to teach consumer affairs to young people, it has been written with adult learners in mind. Adults have the advantage of a range of experiences in the everyday world and are interested in learning how to cope with their real problems. Some of the participants in your groups may have jobs; many are supporting and/or rearing families; all of them have a wealth of experiences which can contribute to the success of your class. The exercises outlined in this book are designed to make use of the "experiential knowledge" your participants already possess.

Inductive learning is a valuable tool to use in your group. Going from group members' particular experiences to general guidelines concerning consumer affairs is often helpful. If, for instance, you want to deal with the general topic of "wise shopping", it is not advisable to deliver a forty-five minute lecture on the ten worst shopping blunders committed in Duluth, Minnesota, during 1967–68. Much more meaningful and to the point is to ask participants to share their own worst experiences. It should be a simple matter, then, to tie together the common threads running through the participants' accounts.

Participants represent a valuable resource to the group itself as well as to you, the leader. You may find that some group members may know more about a particular subject than you do. Such people should be used as one of your greatest resources and encouraged to share their knowledge. We reject the notion that the teacher is the source of all wisdom. The leader's role is to encourage participants to learn as much as possible from each other.

FLEXIBILITY – DON'T MODEL YOURSELF ON DINOSAURS

No doubt you have been remarking recently to your friends that you don't see many dinosaurs around anymore. One of the reasons that dinosaurs became extinct was that they weren't flexible enough to adapt to a changing environment. We can all learn from their sorrowful experience.

If, for example, you are working with a group of Spanish-speaking women who shop for frijoles at the Bodega Latina, it doesn't make much sense to give them an exercise involving Mrs. Schwartz looking for a bargain on imported blintzes at Goodman's Gourmet Shoppe. Your group of Spanish-speaking women might find it difficult to relate to this example. Therefore, your task is to change the example to fit the group with whom you are working. The alternative could be that you will find your students as rare as dinosaurs.

It becomes clear, then, that the exercises we recommend in *The Doing Book* should not be used word-for-word. For instance, if an example we use is comparative shopping for furnaces and all your participants are residents of Miami, you might want to change the example to air conditioners. To pursue this example, if all your Miami participants are concerned with ecology and the energy crisis, you'll want to further modify the situation by talking about fans. Whenever possible, make the exercises fit your particular participants so that their learning will be relevant. We feel that the individual learner is always more important than the written plan for the day's session. Therefore, we again stress the importance of remaining flexible and revising exercises and plans to fit *your* group.

The best way to evaluate your success in adapting the exercises to the group is to ask the participants for "feedback". Some questions to ask in order to find out if you are on the right track may include:

1. Did this exercise remind you of a situation in your own life?
2. Are these the products you buy?
3. Can you identify with the characters in this exercise?
4. How will you use what you have learned at home or on your job?

Attempt to make use of the feedback you receive. If your group members feel some examples are not relevant, use different examples for the next session. The ability to be spontaneous, to make sudden and often unexpected changes, comes with practice.

CHAPTER 2
METHODOLOGY FOR EXPERIENTIAL EDUCATION

Our discussion here continues with a presentation of experiential education as outlined in the preceding chapter. This chapter contains a general discussion on the use of small groups as well as a specific explanation of various methods. The first part describes basic principles and directions for conducting our exercises in small groups. The second half of the chapter explains in detail specific methods used throughout the book.

SUBGROUPS

As you read through our exercises, you will notice constant reference to the use of subgroups. A subgroup is simply a smaller division of any group no matter what its size. In our approach, these small groups are the heart of the education process.

Use of the subgroup has a number of advantages. First, it enables wide participation. In a large group, the more aggressive participants tend to "hog floor time" and make most of the inputs. In smaller groups, the more withdrawn members have a greater chance to speak. Quiet members will feel more comfortable about sharing their knowledge and asking pertinent questions. Secondly, intimacy is greatly enhanced through the use of the small group. It is more difficult for intimacy to develop in a large group of thirty than in a group of six. The closer participants feel to one another, the more likely they are to share their personal thoughts and experiences. As a result, group work becomes more efficient, problems are solved faster and everybody tends to learn more.

SETTING UP SUBGROUPS

Let's assume that you have twenty-five participants whom you are going to divide into five groups, A, B, C, D and E. If the participants do not know each other, simply ask them to form groups of five. When possible, encourage participants to form subgroups that are mixed by age, sex, cultural background, etc. If you want to be more structured, divide the participants into subgroups prior to the first session. To prearrange subgroups, write out name tags in advance and write the number of the person's subgroup on his name tag. In either case, the more heterogeneous the group is, the more varied its resources will be.

If some of the participants know each other or work together in the same organization, ask people to form mixed subgroups. Simply suggest that members join groups with people they do not know or have not worked with. By forming subgroups composed of individuals from a wide variety of organizations, you give participants an opportunity to learn about other community resources. In addition, people from the same agency often work in a hierarchical relationship which can hinder communication. For example, a field worker may not feel comfortable to speak freely in the same subgroup with his boss. In general, the more mixed the group membership the better.

HOW BIG IS A SMALL GROUP?

For our purposes, the ideal number for a subgroup is five to seven. A group smaller than five includes fewer points of view as well as less variety and less resources. When the group reaches ten and over, cross talk prevails, sub-issues sidetrack participants from the goals and the quieter members get lost in the crowd. A group of five to seven members is small enough to encourage a sense of intimacy which, in turn, encourages participation.

It is a good idea to make your subgroups as even in number as possible. If you have twenty people, you should have four groups of five; if twenty-one participants, you should have three groups of five and one of six, and so on. Equal numbers make things easier to manage. The groups will have an equal number of resources and will tend to use the same amount of time for completing their tasks.

THE SHAPE OF SPACE

The physical shape of your group is important. You will want members of the subgroups to sit in a circle. The circle arrangement places no one person at the head of the group and enables all members to see each other. This will encourage interaction and increase spontaneity. If it was good enough for King Arthur. . .

The space between groups is important, too. Since subgroups will probably be meeting in the same room, each group must have enough space in which to work. Have the groups pull away from each other as much as they can. This will give the subgroups a sense of privacy and separateness which will enhance their "pulling into themselves" to work on their tasks.

SETTING THE ATMOSPHERE

A comfortable atmosphere at the beginning of the workshop series or session is extremely important. The leader plays a major role in setting the tone for the session. Begin by informally greeting the participants as they enter. The more open, friendly and relaxed you appear, the more comfortable your participants will feel. Ask participants to fill out name tags which they are to wear throughout the session. In addition, you may wish to provide coffee and refreshments to make participants feel more at home. For the most part, your members will be in a new situation where they are meeting new people. This combination is usually accompanied by a high anxiety level. Therefore, it is helpful to take a few minutes to allow people to get settled and have some coffee.

After this brief period, you may begin the workshop by introducing yourself and the organization you work for or the group you represent. Presenting a brief outline of the workshop series or session and your own objectives is recommended. Although participants may not be listening very keenly at this point because they are anxious, they would like to hear a brief summary of what to expect. Once again, the more relaxed and friendly you appear, the easier your participants will feel.

BEGINNING THE SUBGROUPS

Before starting their exercises, participants may introduce themselves to one another quickly. At this point the leader can suggest a simple "Getting Acquainted" exercise in which members are asked to share their names and the names of the organizations or communities from which they come. To lengthen this process, members can also explain their jobs or functions in their agencies or communities.

In the beginning, let the same subgroups deal with at least two or three exercises. Later on, you may wish to rearrange subgroups to enable members to become acquainted with a wide variety of people. Maintaining constant subgroups at the start enables participants to develop an initial sense of trust and intimacy.

THE LEADER AS FACILITATOR

Once the members have formed subgroups and have become acquainted, the leader is to give clear and explicit directions for an exercise. Before you actually begin your instructions, it is helpful to let the participants know how much time they have to complete each task.

After the groups begin to work on their task, you may want to visit each group to see that the directions are clearly understood. Some groups may be in a quandary over a point which you can help to clarify. In some cases, if one or two members of a subgroup are the major talkers, you may want to encourage wider participation. Sometimes, subgroups may wander off the point. Your job then is to steer them back in the right direction. Also, you can play the role of an order keeper to prevent cross talking within the subgroups if it appears. This must be done with diplomacy and discretion, of course. Remember that you are a facilitator and not a drill instructor.

As you move from group to group, you must be careful not to encourage dependency on your presence. Your job is by no means to do the work of the group. You are simply to help the process go as smoothly as possible by clarifying points and encouraging wide participation. Do not hesitate to move freely from group to group but interject only when you feel it appropriate.

When there are more than twenty participants, it is very helpful for two people to work as co-leaders. In fact, co-leaders are helpful even in smaller groups. While one team member leads an exercise, his co-leader can focus his attention on the reactions of the participants. If he sees that they are puzzled or confused, he can help clarify the directions. Secondly, he may be able to add some points that the other leader has overlooked. Co-leaders can give each other support and valuable feedback on their leadership style. Co-leaders will need time prior to the workshop to plan how they want to divide the different leadership roles.

A NOTE ON TIME

Subgroups are usually allotted a specific length of time to complete their tasks. As the time runs out, the leader should notify the participants. A simple "two minutes left, try to wrap it up" from the front of the room will do. If you announce that the time is running out and you are pelted with tomatoes, participants are telling you that they want more time. You may add a few minutes to the exercise in this case. Flexibility extends to the timing of exercises as well as the content. By the same token, in a twenty-minute discussion if they are through talking after only five minutes has elapsed, you might want to cut the exercise. You may use the extra time you gain for some other subject the group finds more useful.

GROUP SHARING

In most cases, the work of the subgroups should be shared with the large group. This gives the whole group the benefit of the work of each of its segments as well as a sense of accomplishment. During the sharing, subgroups are able to exchange information and knowledge gained while doing the exercise.

The sharing may be conducted in a variety of ways. The usual method is for a reporter from each subgroup to summarize the activities of his group in front of the large group. Reporters may speak informally from their subgroup circles. In some exercises, participants are asked to list their ideas on newsprint sheets. In this case, reporters can present their newsprint in front of the room. Ask them to post their sheets next to each other so they can be seen clearly.

Another method of sharing is the use of a fishbowl. Here, representatives from each subgroup meet in an inner circle for a general discussion while the rest of the participants observe in an outer circle. The members of the outer circle can participate only after the representatives have had adequate time to share their ideas.

If each subgroup is to report out to the large group at the end of an exercise, it is a good idea to ask each subgroup to choose a recorder. The recorder's job is to take notes during the exercise and to pass on his information to the reporter who will speak during the large group sharing. It is usually recommended that the recorder and the reporter be two different people to allow as much participation as possible.

The leader's role during the sharing is once again facilitative. If a reporter is having trouble explaining his notes or is unclear, the leader should step in to give him a hand. As soon as things are cleared up, the leader should step back and let the reporter take over again. When each reporter has finished, the leader should ask if anyone has any questions. If not, he should sum up what has been said and ask for the next group to report out.

After all groups have reported out, the leader should summarize and clarify what has been said. In the case of newsprint, when the lists are placed visibly close to each other in the front of the room, they are fairly easy to compare and contrast.

SPECIFIC METHODS

BRAINSTORMING

Brainstorming is a creative technique for problem solving. Very simply, it is a way of generating as many associations as possible around one specific topic within a limited amount of time. This method can be used in various situations in both the large and small groups.

If used as an opening exercise, brainstorming can help your participants to identify topics they are most interested in discussing. If a group becomes bogged down, this method can generate ideas for immediate and future direction. For instance, in one of our exercises, participants are asked to form teams to interview businessmen in the community. Their task is to find out what businessmen feel are their major problems with consumers. Let's say the members are stumped on what questions to ask the businessmen. The leader can suggest spontaneously that the group brainstorm the question, "What problems do businessmen have with consumers?" During the next three minutes the participants name out loud all the businessmen's problems that they can think of. A recorder lists the responses on newsprint. The group may suggest the following ideas: dishonesty, shoplifting, "bad" checks, fickle tastes, failure to pay bills, impoliteness, carelessness, vandalism, manhandling merchandise, etc.

After the brainstorm, the participants may find it helpful to categorize their ideas. For example, the above list could be divided into two categories:

Major problems	Minor problems
dishonesty	impoliteness
shoplifting	carelessness
"bad" checks	fickle tastes
vandalism	manhandling merchandise
failure to pay bills	

In introducing "brainstorming" you should try to be as brief as possible. If you engage in a lengthy presentation of the method, you will discourage spontaneity. Simply discuss briefly the rules as explained below and launch into the exercise. Three to five minutes to brainstorm on any given topic is usually sufficient.

There are three rules or principles to remember when brainstorming:

1. Blue Skies: Participants are to stretch their imaginations as much as possible. Their suggestions need not be practical; no idea is unimportant or irrelevant.
2. Hitch-Hike: Group members are to build on each other's ideas. One idea often triggers off another that is even better.
3. Don't Knock It: Criticism inhibits participation because it discourages people from adding ideas. No ideas should be criticized or evaluated during the brainstorm for any reason.

ROLE PLAYING

The role playing technique is used extensively throughout this book. Our goal is to recreate consumer situations within the confines of the workshop. Once these situations are recreated, they can be examined closely to enable us to cope more effectively as consumers in our "real lives". Role playing is essentially play acting without a script. In play acting, all actors are given complete scripts which they memorize. In role playing, players are to improvise their own script as they go along. The parts of a role play consist of a summary of each player's role as well as a brief description of the situation to be enacted.

The Situation

All role plays begin with a situation which is a summary of the plot of the scene to be played. The leader reads the situation to all participants before the scene actually begins. Here is an example:

> Mrs. Russo notices that her living room furniture is getting very shabby. Most of the springs are broken in the couch and the cat has been using the chairs as scratching posts. She is reading the Sunday paper when she sees an advertisement offering a five-piece living room set for $550 with only $100 down. As it turns out, she has some money saved which she had planned to use for a new refrigerator. Excited by the ad, she decides to go to the store with her husband to look over the new set.

As you can see, the situation is relatively simple. We know who wants to do what and where and for what reason. This is all the group members need to know.

The Roles

The role players, however, need more information; they need brief explanations of their roles. Each should be written on an index card and handed to each player separately before the scene begins. It is important that players do not see each other's cards. The leader should go over the cards with each player to make sure they fully understand their roles. The leader may answer any questions about the roles as well as offer support to the actors at this point if necessary.

Players should be encouraged to enjoy their roles, and even to overact in order to make a point. Actors may improvise and interpret their parts as they see fit. For this reason, role descriptions are not presented as a script. Instead, they are merely brief explanations of the concerns and motivations of each player.

This sample role play consists of three parts: Mr. and Mrs. Russo and the salesperson whom we shall call Mr. Slicker. Here are the roles:

MR. RUSSO: You are a high school teacher, and this is your first year on the job. Your annual salary of $7500 is pretty low. However, you think you might be due for a $500 raise when the new year begins. You know that the refrigerator is in pretty bad shape although it still works most of the time. But, you agree with your wife about the shabbiness of the living room furniture. After all, she deserves a break. With the baby due in five months and all, it will pick up her spirits to get some new furniture. Still, you are worried about the expense and have been thinking about it as you walk into the store. . .

Notice Mr. Russo's motivations in his role. He does not want to spend much money, his job doesn't pay well, the refrigerator is going bad and his wife is expecting a baby. Still, he wants to take into account his wife's feelings and make her happy.

MRS. RUSSO: You are a part-time secretary in the high school where your husband teaches. Since the school year began, you have been saving much of your small salary to buy a new refrigerator. The one you have is rapidly dying so is the living room furniture. The living room looks so dull and a new set would brighten up the whole apartment. You don't want to upset your husband as he is concerned with the expense especially with the baby on the way. You are sure, however, that he is getting a raise in the fall. You are thinking about all this as you walk into the store . . .

Again, in Mrs. Russo's role there are different motivations. She is conscious of saving money but also wants new furniture. We do see, however, that she is more resolved than her husband to buy the furniture. While Mr. Russo is not so sure that he can afford the bedroom set, Mrs. Russo is confident that her husband will definitely get a raise.

MR SLICKER: You consider yourself a pretty good salesman. You have been selling furniture for five years now and your boss likes the work you do. Lately, though, your sales have been down. You can't deny the fact that your paycheck, which is based on the commissions you receive from the furniture you sell, has been getting smaller and smaller.

Your boss has placed an ad in the paper advertising a living room set for $550. The set is pretty shabby. Actually, it's only worth $200 and is really garbage. But you and the boss both realize that the point of the ad is to get people into the store. Once a customer arrives, you know that you can switch him to the $700 set which will give you a better commission. You have decided that today is the day to make money and you are eager to make a sale when a young couple walk into the store. . .

Mr. Slicker seems to have one objective in mind. He wants to sell furniture to any customer to make as much money as possible. He is particularly determined that today he will make his big sale.

Notice the conflicts between the three parts. These conflicts, which are essential to role playing, create the substance for the scene's plot. When these three people meet in the store, they are concerned with their own specific needs. Mr. Russo wants to save money and yet please his wife. Mrs. Russo wants to buy new furniture but does not want to offend her husband. Mr. Slicker, on the other hand, wants to sell the expensive set of furniture. The players are to try to resolve these conflicts as they act out the scene.

The Audience's Role

Members of the audience also take on roles and become observers. They are to watch the dynamics of the role play by noticing which issues are discussed, which decisions are made as well as which reactions occur. As members of the audience observe, they are to put themselves in the positions of the different players. Encourage them to consider how they would act if they were the role players themselves.

The Action and De-roling

At this point the scene is set. The leader asks the players to come to the front of the room. The situation is read out loud to the entire group and the audience is ready to observe the drama unfold. The action begins as the Russos enter the store. The couple looks at the furniture, Mr. Slicker makes his pitch and the three of them engage in a discussion. The sale is made or not made, and the customers are about to make a purchase or walk out.

At this point before the action is actually dead, the leader calls "CUT!" and stops the scene. Action is cut before the scene ends naturally for two main reasons. First, while interest is still high, you continue to have the attention of the audience. Secondly, you want the players to be feeling their roles when you de-role them.

After you stop the action thank the players and begin to de-role. De-roling is similar to an interviewing process in which the leader asks questions of the players. Some of the following questions may be asked:

How did you feel about your role?

Did your role fit you well?

Have you been in similar situations before?

Would you have acted differently in real life?

This interviewing helps the players summarize what they have learned in the role play. This process also helps players apply what they have learned when they encounter a similar situation using their own money in a real store.

The de-roling process is an important part of the role play technique. If the leader does not interview the actors at the end of the scene, the players may remain in their roles. Let's say that Mr. and Mrs. Russo were at odds during the role play because Mr. Russo spotted a "bait and switch" trick being played by Mr. Slicker. He wanted to leave right away, but Mrs. Russo wanted to look at the more expensive set. If the players weren't de-roled at the end of the role play, the two players could possibly bear real life resentment toward each other even though the role play had ended. This situation occurs quite frequently. But, it is usually handled well if the players are all interviewed at the end of the scene. In effect, the interview helps the players drop their roles and return to themselves.

Audience Feedback

After the players have been interviewed and de-roled the audience is asked for feedback about the role play. Audience members are not to engage in criticism of the acting ability of the role players. Rather, they should give feedback about the issues that were raised as a result of the action in the role play itself. In our example, they can comment on the advisability of buying new furniture instead of a new refrigerator. They might want to say how they would have felt if they had played a particular role. In any case, the point of audience feedback is to generate data taken from observations of the role play to lead into a group discussion of the issues at hand.

General Discussion

The audience's feedback should lead into a general discussion on the consumer content of the particular role play. In this case, the role play was used to demonstrate "bait and switch" advertising. Out of the discussion could come an explanation of the law which declares such practices illegal. In each of the role play exercises presented in the book, you will find under **TIPS FOR THE LEADER** a series of possible discussion questions. At the end of the discussion, you may wish to summarize the content of the particular consumer issue and the major learning gained.

DISCUSSION – LECTURETTE

The discussion-lecturette technique is a combination of a formal lecture and an open discussion. This method can be used for specific purposes such as defining terms and supplying basic information necessary for participants to carry out assignments and exercises. Because of some serious pitfalls, it must be used wisely and with discretion.

The formal lecture is out of place in experiential education. Most of us probably would rather not remember the number of times we have been bored by a formal speaker as we passively listened to a long presentation. The advantage of the lecture, however, is that it can get across technical or substantial content information. When the leader needs to communicate such information, we recommend using the lecturette which is a shortened form of the lecture. As a rule, never lecture for more than ten minutes at a stretch. Try to keep eye contact with your participants in order to notice when and if they cease to be interested and stop listening.

The lecturette will be successful, however, only if it is combined with a discussion. The purpose of the discussion is to actively involve the participants in their own learning. Rather than asking your group members to passively listen, encourage them to join in the lecturette by voicing their opinions. As you present your material, try to elicit from the group as much information as possible. For example, you may begin a lecturette by asking simple questions such as "What is credit?". After a few members have responded, you may use their answers to launch into a brief presentation of the different forms of credit. Throughout your discussion, you should ask for participants to give their opinions or any examples they may feel are relevant. In this way, participants will listen to you and to each other more attentively.

In addition, the discussion-lecturette technique can avoid the leader-as-expert-syndrome. By asking for information from your group members as you present your material, you are able to shift the emphasis of learning from you to the participants. In addition, by constantly making use of the group's reactions, you will be able to recognize more clearly the level of knowledge amidst your members and can adjust your presentation accordingly.

COMMON WORKSHOP AIDS

A few materials are necessary to run a complete series of workshops. They include the following:

A. NEWSPRINT AND MARKERS: Newsprint pads are the leader's best friend for all forms of public display and note taking. You will need masking tape to post newsprint sheets on walls as well as broad felt tip magic markers for writing. Pads and markers can be purchased in art supply stores and large stationery stores.

B. PAPER PADS AND PENCILS: Expect people to be ill-prepared with supplies when they come to your workshops. You will need to provide pencils and paper for participants to take notes and to use as scratch paper for various exercises.

C. INDEX CARDS: These are handy for the prepared roles and situations in role plays. Also, cards can be used for your own notes for the day's workshop.

D. NAME TAGS: Tags help people get to know each other and identify resources within the group. In addition, they help you learn the names of your participants. We recommend the sticky-backed kind you can buy in most stationery stores.

CHAPTER 3
DEVELOPING A CONSUMER EDUCATION PROGRAM

This chapter is designed to help leaders who are planning consumer programs for adults in the community. It is particularly addressed to the organizer or group leader whose purpose is to develop a consumer education program using the experiential methods outlined in the second half of *The Doing Book*.

We have no formulas for the perfect consumer education program because we are convinced that no such formulas exist. Every community is as different as the different groups within the community. This chapter is a guide to the program planning process up to the actual implementation of the program. The program planning process as discussed here begins with the assumption that your goal as the leader is to begin a consumer education program in a specific community using experiential methods. Therefore, we are talking about a very distinct kind of program planning, and not about the general program planning process. Throughout this chapter we will use the word "organization", which we define very loosely, i.e., to apply to any kind of group or agency ranging from local women's clubs to large bureaucracies such as the Welfare Department. As the first two chapters emphasized the importance of involving participants actively in their own learning, this chapter suggests that successful programs involve participants in actively planning their own programs.

In planning a consumer education program it is essential to distinguish between people's *needs* and people's *interests*. Practically everyone regardless of his income or education could learn something useful in a consumer education program. However, while many people face crippling financial problems, few like to admit they need help in managing their money. It is especially difficult to find participants to join a group specifically set up for this purpose because they feel it does not apply to them. As a result, it is often easier to find consumer experts and group leaders than interested participants.

Successful consumer education programs need interested participants, competent and enthusiastic leaders, and *access* to consumer experts, materials and facilities. The chances are that you already have some resources that will be useful in developing a consumer education program. This chapter is designed to help you assess your present resources and learn how to find other resources essential for your program.

BEGINNING WORK FOR THE ORGANIZER

Organizational Setting

In order to appraise your organizational setting you should ask yourself the following questions.

- Who are you in relation to the program planning process?
- What is your organizational or institutional setting?
- Are you a *member* of a credit union, neighborhood association, labor union or women's club that wants to educate *its* own members?
- Are you a *member* of an organization that wishes to provide an educational program for *other* groups in the community?
- Are you a *staff* member of an educational, governmental or social service organization, or a business who wants to inaugurate a consumer education program for the public?

In order to define the objectives of your program and assess your resources, you will want to ask yourself some questions about your organization.

1. What are the objectives of the organization?
2. Is education a primary aim of the organization or a minor one?
3. What is the image of the organization in the community? (The image will have a great impact on what kinds of people you can successfully recruit for your programs.)
4. Who participates in programs run by your organization?
   a. Are programs for members? If so, what are the criteria for membership?
   b. Do participants have to live in a particular geographic area? Be of a particular socio-economic group? Have a particular education level?
5. If you have special funds for your consumer program, does the funding specify who the participants are to be?

For some of you, the answers to these questions will give you a clearly defined group of participants to whom your program will be directed. Sometimes the criteria can be so specific that there are few people who can meet all the specifications. If your organization was established to serve Turkish-speaking men over sixty who live in Jacksonville, Florida, you have a clearly defined target group. However,

your criteria may be so specific that they are unrealistic because there are almost no individuals who meet the criteria. If this is the situation, it is time for the organization to review its goals and criteria for participants. On the other hand, if your organization is established to meet the educational needs of adults living in a county with a population of two million, you obviously still have a lot of work to do before you can identify for whom you are planning your program.

Assessing Resources

Personal Resources

When beginning a new program, you will want to look not only at the resources of your organization but at your own personal resources. Your personal resources can be expressed as your skills and abilities plus your interests. For example, are you especially knowledgeable about certain subject areas such as consumer law or budgeting? Do you speak a foreign language which is spoken by residents of the community? Are you particularly interested in working with young people, senior citizens, new mothers, etc? It is important to consider *your* interests and skills because you are likely to be far more enthusiastic about developing a program that enables you to practice your special talents and interests. However, you must be very careful that you do not assume that your interests and priorities are those of the people whom you want to involve in a consumer program.

Organizational Resources

In addition to reviewing your personal resources, you will want to assess those of your organization.

- What are your organization's strengths?

  (Possible answers to this could be that it has good rapport with certain segments of the community; has excellent physical facilities for workshops; up-to-date library, etc.)

- What are your organization's weaknesses?

  (This might include lack of people with consumer expertise or an image as an organization that is interested in serving only the wealthy.)

To assess your organization's strengths and weaknesses you may want to ask the following questions:

- Do you already have a group of participants who are interested in a consumer education program?
- Do you have leaders skilled in working in small groups?
- Do you have leaders who are knowledgeable about various aspects of consumer affairs?
- How much money do you have for staff, materials, facilities, etc. or will you have to rely on volunteers and donations?

If you have carefully answered these questions, you should have a profile of your organization that will enable you to realistically assess your current resources as well as those you lack. This should help you to begin to formulate some preliminary ideas about your program. However, the program planning process is still in an embryonic stage.

The Community as a Resource

Although most communities contain a wide range of resources and many different kinds of groups, organizations and agencies often operate as if they were in a vacuum. We suggest you focus on coordinating efforts with other groups to avoid unnecessary duplication of effort.

How do you find out who in the community is interested in consumer affairs? Start by brainstorming a list of people and organizations who might be concerned with consumer affairs. If you know community leaders who have an overall knowledge of the community, seek them out and ask their advice. If you are brand new to a community, talk with people in your own organization in order to get suggestions for possible people to contact. You will not only want to see people directly concerned with consumerism, but people who represent a range of different groups within the community. Visit leaders of neighborhood associations, local merchants, mental health centers, visting nurses, etc.

As you begin your visits, keep a card file on people you see in order that you can record identifying information about them and their organizations. You will want to learn about each organization's major purposes and programs and whether it has any resources you might use (such as leaders, facilities, etc.). During these visits, you will have an opportunity to learn about the make-up of the community and about

common consumer problems as well as about the existence of other consumer education programs. Try to find out if these organizations may be able to help you recruit planning committee members and future participants. You will especially want to seek many people's advice on whom they think in the community would be responsive to an innovative consumer education program.

One key to surveying resources is to ask at the end of each interview for the names of one or more new people whom you should contact. Specific names are important because you want to talk with the most knowledgeable persons in any organization. Often this is not the executive director but the field worker who is always out in the neighborhood. Through these initial visits you should acquire the names of leaders of particular target populations that you may want to reach. It is extremely important to talk directly with these leaders and not just with the professional staff of various agencies.

THE PROGRAM PLANNING COMMITTEE

The key to successful program planning is to involve in the planning process as many potential resources as possible. Resources include future participants and/or their leaders, consumer experts, representatives of community organizations and agencies, and people with specific skills, such as public relations. The purpose of the Program Planning Committee is to define the objectives of the program, to secure essential resources, to make decisions on how to implement the program and to recruit program participants.

Recruitment of Planning Committee Members

If you have done your homework in surveying the community, it should be relatively easy to draw up a list of people to serve on the Program Planning Committee. A committee with between eight and fifteen members will provide adequate resources without becoming unwieldy. In choosing members for the Committee, you will want to find people who have a genuine interest in your program and are willing to find time to attend committee meetings.

The function and responsibilities of the Committee should be clearly defined to potential committee members. You should explain that you are beginning a consumer education program for the community using experiential methods in teaching. Further, explain

that you cannot do this alone and would like the Committee's assistance in planning for and developing such a program. It is helpful to describe briefly the concept of experiential education and its relevance to teaching consumer education. In addition, you should explain to each potential Committee member the general commitment that would be involved in serving on the Committee, such as the number of meetings and possible responsibilities of Committee members.

A planning committee for a consumer education program should have representation from the following kinds of resources:

1. Future Participants
   The more clearly you have defined your target population, the more effort you should make to recruit leaders from that particular group. If you have not yet identified your program participants, include a variety of community leaders who are well acquainted with different groups in the community. Be sure to involve community leaders as well as professionals from social agencies.

2. Consumer Experts
   Your committee should have people who are concerned with consumer problems, including businessmen and local merchants, labor union leaders, staff of consumer protection agencies and members of local and/or state consumer councils. Other possible experts include home economists from the local Cooperative Extension Service, members of consumer organizations and faculty from local business and/or home economics colleges. Try to involve someone from on-going consumer education programs in the community if they exist.

3. Agency Representatives
   The staff members of many health and welfare agencies are often knowledgeable about the needs of community residents. Depending on the community, possible agencies could include the Department of Public Welfare, a local community center, the "Y", mental health program, Visiting Nurse Association, Council on the Aging and Clergymen's Association.

Any program planning committee also will need members with special skills such as lawyers, fund raisers and writers. Whenever possible, try to recruit people with these skills who also are in one of the above three categories.

Purpose of the Planning Committee

At your first planning committee meeting, you as the organizer must make clear that the *goal* of the committee is to develop a consumer education program. The task of the committee is to decide upon specific *program objectives*. You may have certain ideas about the nature of the program and have recruited Planning Committee members based on those ideas, but it is now up to the Committee to make the decisions itemized below.

The Program Planning Committee should review the questions posed earlier about the organizational setting of the program in order to make sure all committee members are familiar with the general objectives of the organization and are aware of its resources. It is also important that Planning Committee members have a clear understanding of experiential education. We have found it difficult to explain these teaching methods without having people participate in some of the exercises. Avoid long explanations; rather provide an opportunity for Planning Committee members to actually participate in one or two exercises.

The committee can then address itself to the following questions about program objectives:

1. Whom do we want to reach with our program? Which groups within the community should we approach? (factory workers, young mothers, welfare recipients, church groups, etc.)
2. Which of the following program approaches will we take?
   a. Offer consumer education programs to existing groups?
   b. Plan consumer education programs for inter-agency groups?
   c. Develop a new group specifically for the purpose of consumer education?
3. What will be the length of our program? (one day, six weeks, indefinite period, etc.)
4. How shall we evaluate our program?

With adequate resources, a consumer education program might want to incorporate several of these approaches.

Program Approaches

Developing a Program for Existing Groups

Perhaps you have decided that you will offer a consumer education program to groups which are already formed within the community. Every community has dozens and sometimes hundreds of formal and informal organizations. Through your survey you have begun to identify many of these groups.

If you have established some criteria for choosing participants, you will have some idea which groups you will want to approach. Possible groups could include church groups, mothers' clubs, basic adult education classes, credit unions, labor unions, neighborhood or tenants' associations or service organizations. You will want to talk with the leaders of these organizations to assess their group's interest in learning how to become more effective consumers. In describing the program, you will want to stress the experiential nature of the exercises and the emphasis on focusing on topics of interest to the participants. Some groups may want to try a program for one session and if it is successful continue with another. Some may be interested in developing a series of sessions.

When working with existing groups, the Planning Committee should be representative of as many potential participants as possible. Its function might be to decide which groups to serve and to act as a liaison to those groups. Committee members may have access to resources such as businessmen and/or other consumer experts to help with the program. In addition to the other Planning Committee functions outlined above, the Planning Committee for programs with existing groups should act as a public relations arm of the program, searching for new groups which might desire the type of program it can offer.

Working with existing groups is probably the fastest way to get a new program off the ground. If the program participants are pleased, the chances are they will let others know and you will have requests from other groups to do programs for them. The obvious advantage of working with existing groups is that it saves you the time and effort needed to develop a new group. However, the disadvantages are that there may not be any existing groups in the community which meet your criteria and that are interested in learning about consumer affairs.

Consumer Education for Inter-Agency Groups

Another program alternative is to develop a program to train the professional and paraprofessional staffs of various social agencies and community organizations in consumer affairs. The participants in the workshops would either use their new knowledge in the course of their regular counseling of clients or they might develop a consumer education group among their constituents.

In planning such a program, we suggest that you involve workers from as many agencies as possible on the Planning Committee. The participants will be stimulated by the opportunity to meet people from other agencies. The resources of the group will be more varied and people will form relationships that can carry over outside the workshop. Improved inter-agency communication and referral is a likely consequence. Many of the exercises in this book were designed for inter-agency workshops. We found interest higher in such situations compared with training the staff of just one agency.

In considering such a program, the members of the Program Planning Committee can first assess the interest in such a program among the agency representatives on the Committee. If their interest is high, they can suggest other agencies who might wish to be involved in such a training program. Generally, you will want to directly approach the executive director of each agency you plan to involve to assess his interest and procure his permission for some of his staff to participate. It is important that many of the workshop participants be workers who regularly see clients rather than administrators who might be less likely to find the information applicable to their jobs.

The advantage of training inter-agency groups is that this is one way to reach many more people, especially people who never join groups. If the staff members of key social agencies have developed some expertise in regard to consumer affairs, they will be able to recognize when their clients have a consumer problem and have some idea of how the problem may be solved.

The disadvantage of this method is the difficulties involved in getting workshop participants to actually put to use what they have learned. Awareness must be kept up throughout your programs of helping agency representatives to see where and when the methods and consumer information might be appropriate to use on their jobs.

Starting a New Group

If the Program Planning Committee decides to develop a new group, they must then determine the target population(s) based on the information they have gathered in assessing community needs and interests as well as the organization's objectives and resources. Once the target populations have been chosen, it is crucial to make sure that there are several people from this group on the committee. If not, the next task is to involve several leaders from the target population on the committee.

If you are organizing a new group for low income people, the members of the Program Planning Committee must be willing to help you recruit participants. Personal contact is essential if this new group is to include people who do not normally attend formal educational activities. If you use only the mass media and written flyers, you will succeed in attracting only well-motivated individuals who rarely have serious consumer problems and undoubtedly will be on the high end of the community in education and income.

The greater the education and cultural differences between the group leader and the organization planning the program, and the potential participants, the more important it may be to employ indigenous paraprofessionals. The budget for the program must include funds for their training and salaries. They will need training not only in the content of consumerism, but in interviewing methods and group leadership. The aides should be chosen both for their ability to relate to the participants as well as particular skills. Many people who have not completed high school have learned through experience a great deal about budgeting, consumer rights and comparative shopping. These are the kinds of people you will want to recruit as aides. You will want to be sure that they have a positive attitude toward the future participants.

The first job of the indigenous aides would be to make a door-to-door survey of the target population in order to develop contact with future participants and to survey their interests. Those people who express interest can then be revisited in order to be invited to join the new group. In addition to recruitment, indigenous aides can take an active role in the Program Planning Committee in order to ensure that the objectives of the program meet the needs and interests of the target group. Further, you may want the aides to have a part in the actual implementation of the program.

Because consumer affairs per se may not be an adequate drawing card for new participants, other activities may be useful in getting a new group off the ground. In developing new groups for women, sewing and cooking are often very popular. Wise shopping can be introduced in the context of buying materials and patterns; unit pricing can be related to shopping for food. After the participant's group has become established, then the leader can introduce other consumer activities.

Administrative Details

In developing any program, the Program Planning Committee will have to make decisions on a number of administrative details. The Committee should select a tentative meeting time for the participant's group. If at the first meeting, many of the participants express a preference for a different time, the meeting time should be changed if it is possible for the leader.

The Committee will also want to brainstorm a list of possible places to have the group meet. Any facility should be easily accessible to the participants, when possible within walking distance. The facility should have rooms that have an informal atmosphere where the chairs can be arranged into subgroups. Many churches and community centers have suitable space and they usually will allow community groups to use them. However, before requesting the use of a facility, learn about the image of the institution among the target population. If a church is known for aggressive proselytizing, people of other faiths may be reluctant to go there. If you are working with an existing group, make sure its regular meeting facilities meet the above criteria and are available for the time you wish to use them.

Additionally, if your program is designed to involve people who do not usually participate in organized group activities, you should consider providing auxiliary services such as babysitting and transportation. Any funding for such programs should include funds in the budget for these services. If you are trying to reach mothers of preschool children, try to find a meeting place that has a room suitable for a babysitter and small children. Members of the Planning Committee can recruit a babysitter who is from the same background as the mothers so that the mothers will feel comfortable about leaving their children.

If your program is designed for people with limited income, many potential participants will not have cars. Others may not be familiar

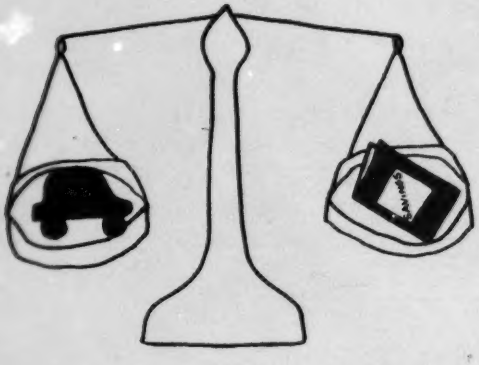
with public transportation, even if an adequate system exists. Some people are immobilized by timidity and/or cultural barriers that discourage them from venturing beyond the confines of their homes. Therefore, one way to encourage participation is to provide door-to-door transportation through a minibus or cars. You will want to identify people with cars who can drive others or arrange for a minibus. It is much harder for someone to refuse to try a new group if transportation is provided.

While provision of transportation and babysitting will apply primarily to new groups, it is advisable to check to see if such arrangements are provided for any existing groups you may be asked to serve. If not, you may encourage greater participation if you do provide these services. In general, these services will not be necessary with inter-agency groups.

SUMMARY

Our task here has been to outline the steps of program planning up to the point of implementation. Understanding your organizational setting and assessing your resources will be among your first concerns. Then, with the help of the Program Planning Committee, you will be able to define and begin to implement the program. The Committee should be an active and essential part of your planning. The more responsibilities the Committee accepts, the more investment its members have in the success of the program.

II. STRUCTURED EXERCISES FOR TEACHING CONSUMER AFFAIRS



CHAPTER 4
VALUES AND FINANCIAL GOALS

INTRODUCTION

The main goal of this chapter is to clarify the relationship between personal values and consumer habits. Our values and beliefs determine the choices that we make as consumers. Essentially, our financial goals are a direct reflection of our personal values. Understanding the ways in which our values influence our spending habits is extremely important.

Exercises in this chapter will enable participants to examine their own values in terms of how they spend money as well as to try to understand people whose values differ from theirs. Several exercises require participants to identify the values exemplified by various characters in role plays or in a simulation game.

An additional goal of this chapter is to learn to recognize and respect that different people hold different values. Because people hold many different belief systems, they choose to spend their money in a variety of ways. It is important to avoid imposing our own values on others. Rather, we can consider alternative ways of spending money based on personal values. It is the goal of some of the exercises to help participants develop the empathy necessary to understand how another person's values influence his financial priorities and spending habits.

THE LOTTERY EXERCISE

GOALS:

1. To demonstrate that different people have different values and financial goals
2. To help participants understand the relationship between their personal values and their spending habits

GROUP SIZE:

Three to ten (if more than ten divide participants into two or more groups)

TIME REQUIRED:

Thirty minutes to an hour

MATERIALS UTILIZED:

1. Paper and pencil for each participant
2. Newsprint, markers and masking tape

PHYSICAL SETTING:

Participants should sit either around a table or at desk chairs arranged in a circle

PROCESS:

1. The goals of this exercise *should not* be explained until the end of the exercise. The leader simply presents the exercise situation.
2. After giving paper and pencil to each participant, the leader explains the situation:

   > You have just won $2,500 in the state lottery. All the taxes have already been deducted from the prize money. On a piece of paper, list how you would spend the $2,500. Take into account your present financial situation. Mark beside each choice how much you would spend on that item. Your choices should be listed in order of importance to you.

3. After each person completes the task, the leader calls for volunteers to read their lists out loud. The leader may record the lists on newsprint in front of the entire group.
4. The leader asks participants to compare the similarities and differences in their lists and the personal values reflected by them.

TIPS FOR THE LEADER:

A. This exercise is to be used as an introduction to the subject of values and spending habits. The exercise should be done *before* any discussion of values is held to enable participants to be as spontaneous as possible.

B. The rationale for choosing the lottery is that this is "free money". Rather than being earmarked, the $2500 is as wide open as possible to variation in spending.

C. The lists that are generated will reflect different values. A sample list may look like this:

   1. Pay bills – $600
   2. Pay rent – $150
   3. Savings – $1250
   4. Vacation – $500

   In examining the priorities in this list, the person has placed a high priority on security and next on pleasure.

D. To facilitate discussion after this exercise some of the following questions could be asked:

   1. Do your lists differ? How and why?
   2. What values do the lists reflect?
   3. How do values determine the ways people choose to spend their money?
   4. What social forces determine their values?
   5. What values overlap on the lists?
   6. What values differ?

E. In the group discussion the leader should stress that no one set of values and consumer habits is better than any other and that all must be respected. By understanding our own values, we can better spend our money to obtain what we want and need.

MAKING BUDGETS FOR FAMILIES WITH DIFFERENT VALUES

GOAL:

To demonstrate how values influence how people choose to spend their money

GROUP SIZE:

Enough participants to form at least three subgroups each ranging in size from three to ten

TIME REQUIRED:

Minimum of one hour

MATERIALS UTILIZED:

1. Budget work sheets for each group
2. Newsprint, markers and masking tape

PHYSICAL ARRANGEMENT:

Either desk chairs or chairs arranged around a table so that all subgroup members have a writing surface

PROCESS:

1. The leader divides the participants into three subgroups.
2. The leader explains that each subgroup is to develop a monthly budget for an imaginary family. The family consists of two adults, one teenager, and one school-age child and their net income is $650.00 a month.
3. To the first group, the leader assigns the family Mr. and Mrs. I. N. Joy, whose major value is Pleasure. The second group is assigned to the family of Mr. and Mrs. I. K. Pup, whose primary value is Prestige. The third group is assigned Mrs. and Mrs. I. M. Safe, whose main value is Security.

4. The leader then asks each group to develop a monthly budget for its imaginary family. The budgets must be realistic (i.e. $25.00 rent would be unrealistic) but they do not have to be "good" budgets in the traditional sense. (For example, there may not be adequate provision for medical care, insurance, savings, etc.) The budgets must reflect the values of the families.
5. After each group has written out a budget on the Work Sheet, it should be transferred to newsprint. Each group is asked to select a spokesman to present its budget to the larger group and explain the reasons for its choices.

TIPS FOR THE LEADER:

A. After each group spokesman has explained how his group budgeted the money, the leader should summarize the exercise by pointing out differences and similarities in the budgets and how values operate in each.

B. The leader may alter the family size or the total amount of money to be budgeted as long as all subgroups have the same family size and the same amount of money to budget.

C. In a discussion following this exercise, the leader may want to cover some of the following questions:

1. How did you feel in your role of a family with prestige (security, pleasure) as its main value? Was it easy or difficult to budget for a family with that value?
2. Would you have been more comfortable with another value? Which one? Why?
3. Why did your group allot such a large (or small) amount of money to rent (or any other item)?
4. How important are values in determining how a family spends its money?
5. Do families usually have just one value?
6. Were any of the budgets presented "good" or "bad"?
7. How do you decide if a budget is "good" or "bad"?

D. This exercise works especially well when done immediately after the Lottery Exercise. It helps participants move from examining their own values as they relate to spending habits to putting themselves in the place of someone whose values may differ from their own.

E. It may be helpful to ask participants to choose to join a subgroup which represents a value which is not particularly high priority to them personally. In this way, they begin to develop empathy with other's values.

BUDGET

ITEM	AMOUNT
RENT & UTILITIES	_____
FOOD	_____
CLOTHING	_____
BILLS: _____	_____
_____	_____
_____	_____
_____	_____
OTHER EXPENSES:	
_____	_____
_____	_____
_____	_____

THE WEDDING GIFT ROLE PLAY

GOALS:

1. To recognize other people's values
2. To see how these values influence choices in spending money

GROUP SIZE:

Five role players and an unlimited number of observers

TIME REQUIRED:

Approximately one hour

MATERIALS UTILIZED:

1. Role description cards for each of the five role players
2. Pencil and paper for each participant

PROCESS:

1. See role play discussion on page 12.
2. The leader reads the situation to the entire group.
3. Five volunteers from the group are assigned roles separately.
4. The audience is told *its* role is to try to determine the values of each player as they relate to choices for spending the money. Paper and pencil may be given to each participant to record the values as they recognize them.
5. The players enact the role play.
6. The leader cuts the role play at the appropriate time and de-roles the players.
7. The leader begins a discussion on the relationship between values and spending habits.

TIPS FOR THE LEADER:

A. It is not necessary for a decision to be made on how Jane and Joe will spend the money. The role play should be cut off after each player has had a chance to express her opinion and Jane has had a chance to agree or disagree with them.

B. The purpose of the exercise is to help the group learn how to recognize values of other people and to understand how those values influence choices in spending the hypothetical $1,000.

C. The leader should feel free to change some of the role descriptions of Jane's friends in order to bring out the particular concerns of participants in his group.

D. In the discussion after the role play, the leader may want to ask some of the following questions:

1. What are the main values of Sue, Doris, Marie and Rosita?
2. What led you to determine those values?
3. What were Jane's values?
4. Did Jane's values come out in the role play or did she just go along with one of her friends?
5. Did Rosita express her own values or merely give in to "tradition"?
6. What should determine who manages the money in a family? Should it always be the man?
7. What influences our values?

DESCRIPTION OF SITUATION:

Jane and her fiance, Joe, have just received a check for $1,000 as a wedding present from her wealthy aunt in California. Soon after, Jane is guest of honor at a shower given by one of her good friends. There are four of Jane's oldest and closest friends at the shower. She confides in them about the check she and Joe received and admits that they can't agree on how to spend it. She asks her friends' advice.

ROLE DESCRIPTIONS:

JANE

You and Joe can't decide how to spend your wedding gift check of $1,000 from Aunt Rachel. At your shower you ask your four best friends, Sue, Doris, Marie, and Rosita what they think you should do. You may decide to go along with one of their suggestions, make up your own mind for something else or not make a decision now.

SUE

You think that Jane should spend her money on that gorgeous wedding dress you and she saw at Rich Dept. Store for $895.95. It looked perfect on her and after all you only get married once. Jane could give the $100 that's left over to Joe to give a big party for his attendants.

DORIS

You think that Jane and Joe should put that money in a savings account. You know Jane wants to have children and their education will certainly be expensive. If they save the money, the interest over 20 years will be considerable and ought to really help with that cost.

MARIE

You are actively involved in the Women's Movement. You are more concerned with how Jane can maintain her own identity after she is married than how she plans to spend her $1,000 wedding gift. You feel the woman should always have as much say as the man in how the money is spent, regardless of her employment status.

ROSITA

You think Jane should let Joe decide how to spend the money. He's the man and should make the decisions about important things like money. You know Joe might "blow" the money on fishing trips or Friday night poker with the boys, but that's his right because the man should be the boss when it comes to money. He'd probably give a little of the money to Jane for spending money for groceries or something for the house anyway.

DEBUNKERVILLE: A VALUES SIMULATION GAME

GOALS:

1. To develop empathy for "other people's" values
2. To understand the relationship between group identity and personal values

GROUP SIZE:

Nine to twenty-eight (four subgroups desirable if more than twenty)

TIME REQUIRED:

One and one-half to two hours

MATERIALS UTILIZED:

Pencil and paper for the recorder in each group

PROCESS:

1. This simulation game is a complex role play in which the roles are assigned to subgroups rather than to specific individuals. Like the role play, a situation is presented clearly to all participants and the roles are loosely defined.
2. The leader announces that each participant is to join one of the following subgroups:
   a. Homeowners Association
   b. Welfare Rights Organization
   c. Committee on Aging
3. The leader reads DEBUNKERVILLE SITUATION to the entire group.
4. Each subgroup caucuses for approximately twenty minutes to decide on a general plan for spending the Special Project Grant in order to serve that subgroup's own best interest. The first task of each subgroup is to briefly define their values and major concerns.

5. Each group chooses a recorder and a representative. The recorder should write down how the group decides to spend the money. The representative will report out to the entire group.
6. After all of the caucuses have finished, the representative from each subgroup has two to three minutes to present his subgroup's plan and to explain their rationale for allocating the money.
7. After each plan has been presented, the three representatives are to caucus together in front of the entire group. They have up to fifteen minutes to make a final decision on how the money should be spent.
8. If the three representatives reach an impasse, the leader may give them ten minutes to meet with their subgroups to discuss possible compromise solutions. The representatives then briefly caucus again to reach a final solution.
9. The entire group then holds a YEA-NAY vote to determine if the decision of the representatives caucus is acceptable.
10. The leader conducts a discussion on the final decision.

TIPS FOR THE LEADER:

A. A simulation game draws attention to the interactions among groups of people usually involving elements of competition and conflict. One of the purposes of this game is to examine human behavior as a reflection of the values held by a particular social group. Since this is a fairly complex exercise, leaders may want to try it only after they have experienced other methods presented in this book.

B. Whenever it is possible, the leader should try to have each subgroup include participants who normally identify with that group as well as participants who belong to other groups in their real lives. The Homeowners Association should have both homeowners and tenants; the Committee on Aging should have both younger and older people. In this way, some people can learn to empathize with a new role, while others can share their real experiences as a regular member of that group.

C. There can be more than three groups, as long as each group has a special interest. There should be a minimum of three people per group. For the sake of time, there should not be more than five groups. Other possible groups could be High School Drop-outs, the Chamber of Commerce or Parent-Teachers Association.

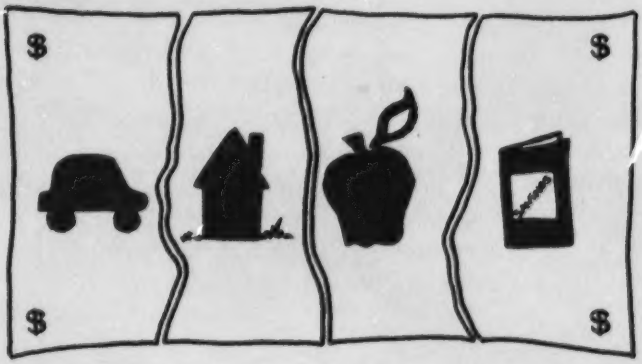
D. The representative caucus may be held either in front of the group or in "fishbowl"; i.e., the three representatives meet in the center of the room, with the remaining participants forming a circle around them. In either case, the role of the remaining participants is to listen to what is said, but to make no inputs.

E. The general discussion following the game should focus on the values implicit in the groups' roles as well as assumptions or stereotypes that might have appeared. The following questions can be asked:

1. What values were displayed by each special interest group?
2. What is the relationship between the values of a group and how it chooses to spend the money?
3. What values were displayed by the group as a whole in the final decision for the dispersal of funds?
4. How do the values of groups affect the values of individuals?
5. What were the stereotypes made or assumptions held by the participants in terms of their own special-interest groups?
6. How has this simulation game given you insight into your own values?

DESCRIPTION OF SITUATION

All of you here are citizens of the town of DEBUNKERVILLE. Your town has recently been named "ALL-AMERICAN TOWN" by Congress, and has been awarded a SPECIAL PROJECT GRANT in the amount of $50,000. The money is to be used in any way the population sees fit so long as it is used for the betterment of the community. Before the money is awarded, however, the town population must agree on how the money is to be spent by a majority of the voters. If a majority cannot be mustered, then the town loses the grant and the money reverts to Congress.



CHAPTER 5
BUDGETING AND MONEY MANAGEMENT

INTRODUCTION

Though the word "budget" is a formidable one to many people, it is merely a plan for spending your money. The main reason for having such a plan is to have control over how money is spent. Because we are often bombarded with advertising urging us to buy products and services we neither really need or want, it is easy to fall into a pattern of impulsive buying. With a budget, however, we can think about how we want to spend our money in *advance* and are less likely to be influenced by impulses, high pressured salesmen and phony advertising.

This chapter builds upon knowing financial values and goals described in the chapter on values and financial goals. While many of the exercises in this manual can be used in whatever order the leader desires, it is extremely important for the participants to do some of the exercises on values and financial goals *prior* to doing the exercises in this chapter. Before a person learns the actual "how to" of making a budget, it is necessary for him to have a thorough understanding of what personal values and goals influence his spending habits. With this in mind, he must then be able to list all his expenses and know what his income is. Then he is ready to make a plan to spend his money in ways that can help him achieve his personal financial goals.

Exercises which emphasize an understanding of the mechanics of budgeting as well as the relationship of values and goals to budgeting are included in this section. This chapter also includes a brief outline for a lecturette "What is a Budget?"

MONEY TROUBLES

GOALS:

1. To stimulate discussion of money management
2. To identify consumer problems of interest to the participants

GROUP SIZE:

Unlimited

TIME REQUIRED:

Twenty to forty-five minutes

MATERIALS UTILIZED:

1. Pencil and paper for a recorder in each subgroup
2. Newsprint, markers and masking tape

PROCESS:

1. See brainstorming discussion on page 11.
2. If there are more than ten people, subgroups should be formed.
3. The leader tells participants they are to think of as many comments as possible about a particular question within a limited amount of time.
4. The leader gives a practice exercise question such as "What can you do with an elephant?" or any other humorous question with one or two examples of responses. The practice exercise should not last more than two minutes.
5. The leader records the responses from the group on newsprint in front of the room.
6. The leader explains briefly the essential rules for successful brainstorming:

   Don't Knock It
   The Sky's The Limit
   Hitch-Hike

(NOTE: See page 11 for further explanation on brainstorming)

7. The leader then introduces the main brainstorming topic: "What do you think of when you hear the words 'MONEY TROUBLES'?" Four minutes maximum is allowed for the group to brainstorm this question. If more than one group is used, the brainstorming should be carried out simultaneously by the subgroups. Each group is asked to choose a recorder who will write down ideas suggested by the group.

8. When time is called, the recorder reads out the list that the group has generated. The leader records the list on newsprint posted in front of the room.

9. If there is more than one group, the leader may want to check the responses which are listed more than once and only add new items to the list. The leader helps the participants identify items common to all lists. Emphasis should be placed on major themes the lists reflect.

TIPS FOR THE LEADER:

A. This is a good warm-up exercise and may be used when working with a group for the first time.

B. Sample responses for the practice exercise on "What do you do with an elephant?" might be "Swing on its trunk", or "Ride it to work and decrease pollution" or "Send it to your in-laws for Christmas".

C. Brainstorming is especially effective when used to identify areas of concern to participants and may be used to introduce any topic.

WHAT IS A BUDGET? A DISCUSSION – LECTURETTE

GOALS:

1. To learn what a budget is and what elements must be considered when making a budget
2. To gain a basic understanding of some of the terminology used in budgeting

GROUP SIZE:

Any number

TIME REQUIRED:

Thirty minutes

MATERIALS UTILIZED:

Newsprint, markers and masking tape

PROCESS:

1. See explanation of a discussion-lecturette, page 16.
2. This discussion – lecturette is presented in the form of questions followed by possible answers to the questions. The leader should attempt to elicit as many answers as possible from the participants. If the participants cannot answer a question completely, the leader may suggest additional points. It is often helpful to list responses to questions on newsprint so that participants may see the points they have covered.
3. Possible outline for discussion – lecturette

   A. What is a budget?

      1. A plan for spending money now
      2. A way to plan for future expenses

B. What are the elements of a budget?

1. Expenses

   a. Fixed Expenses – those that have to be paid on a regular basis and remain the same amount, such as rent.

   b. Variable Expenses – those that have to be paid on a regular basis but may vary in amount from week to week or month to month, such as food or clothing.

   c. Occasional Expenses – those that are paid only occasionally, such as vacations, gifts.

2. Income

   a. Salary
   b. Unemployment Insurance
   c. Veteran's Benefits
   d. Social Security
   e. Welfare
   f. Interest and Dividends
   g. Pensions

C. What are three types of financial goals?

1. Short-term Goals – ways in which one wishes money to be spent in the present and near future, such as paying rent or buying school clothes.

2. Long-term Goals – ways in which one wishes money to be spent in future years, such as buying a home or college education.

3. Spending Priorities – way in which one orders his financial goals, that is, the relative importance of different items in long- and short-term budgets.

TIPS FOR THE LEADER:

A. It is not likely that any one participant will already know the answers to all of the questions, but by combining the knowledge of all participants, many of the answers will be brought out.

B. Whenever possible the leader should elicit group participation when conducting a discussion – lecturette. If the leader doesn't want to put participants to sleep, we recommend he *never* lecture for more than 10 minutes continuously.

C. Some additional discussion questions the leader may wish to raise include:

1. Why (or why not) budget?
2. What are some of your financial goals?
3. How do these goals relate to spending habits?
4. Should a budget be flexible?
5. Which type(s) of expenses (fixed, variable, occasional) would be easiest to "juggle" in order to make a balanced budget?

D. HOMEWORK ACTIVITY: Have participants keep track of everything they spend for a week (or month) and bring results back to the group. They should keep track especially of incidental expenses such as meals out, candy for children, etc., as well as regular expenses such as bills and rent. In a group discussion about the homework assignment, the leader may want to ask the following questions:

1. How did your values and goals influence your spending?
2. Were you surprised at how much you spent on one or more items?
3. Would your spending behavior have been different if you had used a budget?

MAKING A BUDGET

GOALS:

1. To give each participant an opportunity to make his own spending plan (budget)
2. To gain help from the leader and other group members in learning how to develop a budget that can help each participant achieve his financial goals

GROUP SIZE:

Any number

TIME REQUIRED:

Approximately one hour depending on the size of the group (each participant should have sufficient time to get individual help from the leader if necessary)

MATERIALS UTILIZED:

1. A copy of the Spending Plan Worksheet for each participant
2. Pencils

PROCESS:

1. This exercise is best done after the participants have tried some of the other exercises on values and budgeting. Prior to this exercise, the leader should discuss with participants the terms listed in the discussion-lecturette "What is a Budget?"
2. The leader distributes the Spending Plan Worksheet to each participant and makes sure all the terms are understood.
3. The leader asks each participant to write in weekly, bi-monthly, and monthly expenses in the appropriate columns. Participants may write in what they actually spent during the past month or what they plan to spend in each category. Expenses must balance with income.
4. After each participant has completed his budget, it should be discussed individually with the leader. The leader should take care to treat each student's budget confidentially.

TIPS FOR THE LEADER:

A. The Spending Plan Worksheets may be completed in class or as a homework assignment.

B. At the end of the month, budgets should be re-examined by each participant for possible revisions. If revisions are necessary, the participants may wish to discuss them individually with the leader.

C. Some participants may wish to share problems they have encountered with the entire group. This sharing, however, should be strictly optional.

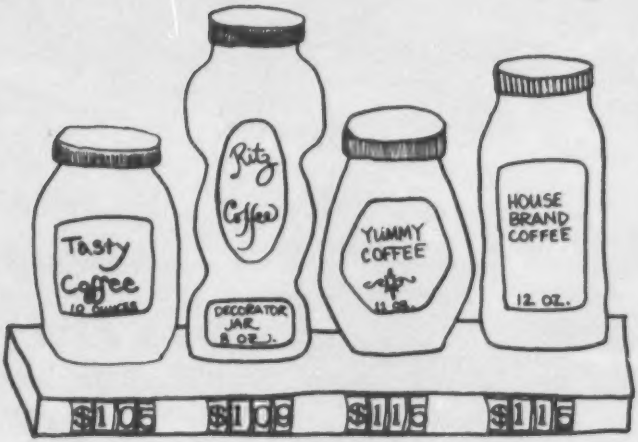
D. The group leader may want to use some of the following questions for group discussion after worksheets are complete:

1. What are some things you can do if your money does not stretch far enough?
2. What is a good way to keep track of everything you spend? Do you have a place to keep all your receipts? (Some suggestions are a file, a shoe box, or several small paper bags which can be stapled together along one side and each bag can be marked with a different heading, such as car, medical or household expenses.)
3. Is your money going where you want it to go to meet your goals?
4. Did you have any money left over for "wants"?
5. Did your money pay your debts as you had planned?

SPENDING PLAN WORKSHEET

ITEM	WEEKLY	BI-MONTHLY	MONTHLY
HOUSING			
Rent			
Utilities			
Repairs			
Other			
FOOD			
Groceries			
School Lunches			
Other Foods			
PAYMENTS			
Loans			
Department Stores			
Furniture & Appliances			
Other			
TRANSPORTATION			
Car Payment			
Gas & Maintenance			
Public Transportation			
MEDICAL			
Doctor			
Medicine			
Hospital			

ITEM	WEEKLY	BI-MONTHLY	MONTHLY
INSURANCE			
Medical			
Auto			
Life			
Other			
CLOTHING			
Adults			
Children			
Laundry & Dry Cleaning			
EDUCATION			
Children			
Other			
ENTERTAINMENT			
PERSONAL			
GIFTS			
SAVINGS			
TOTALS			



CHAPTER 6
WISE SHOPPING

INTRODUCTION

The purpose of this section is to enable participants to better understand the process of making wise shopping decisions. Through exercises that use each person's own experiences in the marketplace, participants learn to recognize some of the principles of wise and "not-so-wise" shopping. The exercises help participants learn from each other and use all the resources of the group.

The main resources for this chapter are the marketplace itself as well as various consumer publications. In addition, newspapers and other periodicals are available to the leader for use in helping participants understand advertising and how it may help or hinder the consumer in getting the most for his money.

This chapter may be especially useful for leaders who have new groups or for those groups that are not ready to delve into some of the more complex aspects of consumerism. Everyone, no matter what his age, has experience (both positive and negative) in shopping for something. Therefore, it may be easier for some participants to understand and participate in the exercises in this chapter than in some others. The group leader may not want to use all of the exercises in this chapter, but choose one or two that are appropriate for his group.

SHOPPING "DO'S" AND "DON'TS"

GOAL:

To develop a list of shopping "Do's" and "Don'ts"

GROUP SIZE:

Five to thirty

TIME REQUIRED:

Forty-five minutes minimum (more time needed for a large group)

MATERIALS UTILIZED:

Newsprint, markers and masking tape

PROCESS:

1. The leader divides the participants into two or more groups. Each group should be limited to six participants.
2. The participants in Group 1 are told that they are to describe the *worst* shopping blunder they ever made. The group members are to analyze the blunders and compile a list of shopping "Don'ts".
3. The participants in Group 2 describe the *best bargains* they have ever purchased. The group members are to analyze the bargains and compile a list of "Do's".
4. Each group writes its list on newsprint. A spokesman from each group then explains each item on the list.
5. **Variation:** If there are less than seven participants, do not divide the group in half. After the group has discussed shopping blunders and compiled a list of shopping "Don'ts", ask them to describe and analyze their shopping bargains.

TIPS FOR THE LEADER:

A. This is a good exercise for a new group because it is easy for everyone to become involved.

B. The exercise is a good starting point for an extensive discussion on how to stretch your money in the marketplace.

C. Because some people may hesitate to admit their own shopping blunders, it is helpful to explain that all of us make mistakes some of the time. The leader should begin by giving his own personal examples of his worst shopping blunder and best bargain. By giving these examples, he will show participants what he means by "blunders" and "bargains".

D. After the groups have presented their lists, the leader may want to add any of the following shopping guidelines if they have *not* been already mentioned by the participants.

1. **Plan ahead, shop with a list.**
   Planning before you shop helps you to be more rational and systematic about what you buy.

2. **Shop at more than one store.**
   Don't buy the first thing you see.

3. **Shop at a reputable store.**
   Stores gain reputations for honesty. To protect yourself, shop only at stores which are well respected.

4. **Ask questions before you buy.**
   Inquire about guarantees, service, credit terms. Knowing your rights as a consumer can save you money. These rights will be covered in the next few chapters.

5. **Be sure you really need what you're buying.**
   Advertising and the appearance of new products can tempt you into buying to meet superfluous needs.

BAIT AND SWITCH

GOAL:

To recognize "Bait and Switch" advertising

GROUP SIZE:

Three role players and an unlimited number of observers

TIME REQUIRED:

Forty-five minutes to an hour depending on desired length of discussion after role play

MATERIALS UTILIZED:

Role description hand-outs for each of three players (these can be typed on 5" by 8" cards)

PROCESS:

1. See role play description page 12.
2. The group leader reads the situation to the entire group.
3. Three volunteers are chosen to play George Gold, Harry Columbo and Mary O'Hara. Each player is given his role description separately and is not aware of the roles of others.
4. The audience is told its role is to observe the role play and try to determine if any consumer law is being violated.
5. The players enact the scene at the Home Town Furniture Store.
6. The leader cuts the role play when a decision has been made to buy or not to buy the furniture. The leader then de-roles the players.
7. A general discussion of the "Bait and Switch" selling technique follows.

TIPS FOR THE LEADER:

A. The leader should be thoroughly familiar with the Federal Trade Commission Guides Against Bait Advertising. (See following page.)

B. In the discussion following the role play, leader may want to ask some of the following questions:

1. What is "Bait and Switch"?
2. Did Home Town Furniture "bait" and then "switch" George and Harry?
3. What should George and Harry have done if they realized they had been baited and switched?
4. Why do you think some stores play the "Bait and Switch" game?

LAW INCLUDED IN THIS EXERCISE

Federal Trade Commission Guides Against Bait Advertising include:

"Bait advertising is an alluring but insincere offer to sell a product which the advertiser in truth does not want or intend to sell. Its purpose is to switch consumers from buying the advertised merchandise to something else, usually at a higher price or on a basis more advantageous to the advertiser . . . No act or practice shall be engaged in by an advertiser to discourage the purchase of the advertised merchandise as part of a bait scheme to sell other merchandise."

Massachusetts has incorporated this rule into state law. Check your state Attorney General's office to determine if this is also true in your state.

DESCRIPTION OF SITUATION:

George Gold and Harry Columbo have been college roommates for the last two years. Since graduation two months ago each has found a good job (George as an accountant and Harry selling imported perfume to major department stores). They have recently moved into a luxurious bachelor apartment; their only problem is that they have no furniture.

George sees an advertisement in the Sunday paper that says "Four rooms of furniture – Your choice of modern or colonial. Includes 2 bedroom suites, dining room set and complete living room furniture – Only $499.95. Come to the Home Town Furniture Store for this fantastic once-in-a-lifetime buy."

When the scene opens, George and Harry have come to Home Town to look at the advertised furniture. They are greeted at the door by Mary O'Hara, a saleswoman.

ROLE DESCRIPTIONS:

GEORGE GOLD

You are an accountant and have just moved into a new apartment with your roommate, Harry Columbo. **You are an ace with figures and a bargain hunter from the word go.** You feel you are pretty sharp when it comes to recognizing the money values of things you buy. **Sometimes you get irritated with your roommate, Harry, because he's so darned extravagant.** Whenever he does the grocery shopping he spends almost twice as much as you do. You hope he'll finally see the sense in trying to save some money for a change. You look forward to buying the fantastic bargain that you and Harry have seen advertised in the paper.

HARRY COLUMBO

You are a salesman for a company that imports high quality perfumes. You have just moved into a new apartment with your roommate, George Gold. **Though you like living with George, his constant bargain hunting has begun to "bug" you.** You are a flashy dresser and really like to live the "high" life. You feel you know quality merchandise and have an eye for good furniture. **You can't stand penny-pinching and enjoy a luxurious home.** Reluctantly, you agree to go with George to Home Town to follow up an ad you saw in the paper.

MARY O'HARA

You are supporting yourself and two small children since your divorce by selling furniture on commission at Home Town Furniture Store. You have seen your store's ad for "4 rooms of furniture only $499.95" and have been told by your boss not to sell that set because the store makes too small a profit on it. It is shoddy merchandise and you tell customers delivery would take at least 10 weeks. When George Gold and Harry Columbo enter the store, you are very anxious to make a sale. When they mention the ad, **you explain it's not for men of "their caliber" and switch them to a nicer set of furniture for $1200. You try every way you can think of to encourage them to purchase the higher priced set** since you're low on commissions this week.

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PRICING FOOD IN THE MARKETPLACE

GOALS:

1. To gain skills in wise shopping for food
2. To learn the art of comparative shoppihg for food
3. To develop an awareness of unit pricing and reading the label

GROUP SIZE:

Any number

TIME REQUIRED:

One hour for giving assignment and planning

Time between sessions for participants to carry out assignment in the marketplace (approximately one hour)

One to two hours depending on size of group and length of discussion for sharing results

MATERIALS UTILIZED:

1. Paper and pencils for all participants
2. Newsprint, markers and masking tape
3. Current newspapers

PROCESS:

Preparation for Pricing in the Marketplace:

1. The leader begins this exercise by asking participants the question: "What makes a good buy when shopping for food?" The leader lists responses from participants on newsprint. The leader may make additions to the list if necessary.
2. The leader asks participants to define unit pricing and its value in comparative shopping. If necessary, leader may explain the Massachusetts Unit Pricing Law.
3. In addition, leader should ask participants how a label may help the consumer shop more wisely.

4. After the introductory discussion, participants are asked to list all of the local grocery stores where they have shopped. In addition, they should include other stores they know of but have not actually used. The lists should refer to supermarkets, discount stores, "corner" stores and gourmet shops.
5. The leader asks the group to form small teams of two participants each.
6. Each team is given a shopping list of items that may be purchased in a grocery store which the leader has prepared in advance (see TIPS FOR LEADER for sample list). On the list are included each item and size to be priced, but not the brand name or the cost of items. The lists given to all teams must be identical.
7. Each team is then asked to choose one of the stores listed above in which to actually price all of the items on the list. The leader should make sure that groups choose as many different types of stores as possible.
8. Teams are told that when they are in the stores they have chosen, they are to price the item which they believe is the best buy in the required size. They must keep careful track of the items they choose (brand and price) and record them on their lists. Teams should be told they will have to defend their choice of "best buys" at the follow-up session.

Follow-up Session after Pricing in the Marketplace:

1. At the beginning of the follow-up session, each small group is given several sheets of newsprint. At the top of the sheets, members should put the name of the store where they shopped. In addition, each item priced (including brand name and price) should be listed. At the end of the list, the total cost of items should be included.
2. One member from each small group presents its sheets to the entire group. Group members should be encouraged to ask questions. Each small group should be able to defend its choices of "best buys".
3. The leader then conducts a group discussion comparing where each group shopped and differences in cost.

TIPS FOR THE LEADER:

A. The leader should be absolutely certain that all participants understand their assignments before they leave the first session. The leader may allow participants part of a class time to do their assignment. If the leader feels participants will not have enough time to complete the assignment between sessions, he may give participants one full session to do it.

B. In developing shopping lists for participants, the leader should include several items from each of the following categories: meats, dairy products, frozen foods, prepared foods, canned goods, produce, soap and paper products, and health and beauty aids (such as aspirin or toothpaste). The list should include a total of 25-30 items.

A partial sample list could be: (The two columns on the right are to be filled in by participants.)

Item	Size	Brand (or type)	Price
Ground Beef	1 lb.		
Whole Milk	½ gallon		
Frozen Peas	10 oz.		
Canned Pork & Beans	16 oz.		
Paper Towels	1 roll		
Aspirin	3 oz.		
Bath Soap	1 bar		

C. The leader may wish to bring current newspapers for participants to use in helping to decide what items are the best buys.

D. Participants should be aware of provisions of the Massachusetts Unit Pricing Law. (See Law at end of exercise.)

E. In addition, participants should understand how to read a label on a package. For example, all ingredients in a prepared product must be listed in order of amount in the product. The ingredients that weigh the most must be listed first. Under Federal regulations, some products have standards of ingredients that must be used (examples include mayonnaise, macaroni and jams) and therefore ingredient labeling is not required. The leader may wish to bring in examples of products where ingredients are listed.

F. During the discussion, the leader may want to pose some of the following questions:

1. Were you satisfied with the cost of your "purchases"? Why or why not?
2. What is unit pricing?
3. Did you use unit pricing to help comparative shop?
4. How did the price of "store" brands compare with "name" brands?
5. Did advertising (newspapers, radio, TV) influence where you shopped or what you bought?
6. What is a loss leader? Were you able to find any loss leaders that were on your list? (A loss leader is an item or items advertised and sold at a very low price in order to encourage consumers to shop in a particular store. Other items in the store may be marked up to compensate for the loss taken on the advertised item. This is a common practice in supermarkets.)
7. What have you learned about the possible cost differences in food shopping for the same items?

MASSACHUSETTS UNIT PRICING LAW

Definitions: "Unit price" means price per measure.
"Packaged commodity" means any food, drug, device, cosmetic or commodity of any kind or class which is used for personal, family or household use and offered for sale at retail.

Unit Pricing Law: Packaged commodities may not be sold in retail stores unless there is posted in a conspicuous place at or near the point of sale the price per pound, pint or other unit or measurement of contents and the total sale price. Exemptions include any packaged commodity whose net weight is one or two units and which has the retail price plainly marked thereon, prescription medicines, alcoholic beverages, packaged commodities which are required to be marked individually with the cost per unit of weight, and packaged commodities sold by any retail establishment operated by a person as his sole place of business. Unit prices must be marked with an orange tag, stamp or label on the item itself or directly under or over the shelf on which the item is displayed.

WISE SHOPPING SKITS

GOALS:

1. To develop skills in planning for the purchase of various consumer items
2. To become aware of different shopping styles

GROUP SIZE:

Ten to thirty

TIME REQUIRED:

One and one-half to two hours

MATERIALS UTILIZED:

1. Description cards for each shopping situation
2. Props such as newspapers, mail order catalogs, consumer magazines and buying guides, newsletters from Attorney General's Office, etc.

PHYSICAL SETTING:

1. A room large enough for a group to watch a skit performed
2. A small room or space for each small group to prepare its skit

PROCESS:

1. The leader divides the participants into small groups with at least five members. The number of groups will be equal to the number of skits performed.
2. The leader explains that each group will be given a description of a particular shopping situation. Each group is to discuss the situation and plan a skit which involves discussion and activity around three shopping questions:
   a. What kinds of items should be bought?
   b. Where should they be bought?
   c. How should they be paid for?

   Each skit should not last longer than five minutes.

3. The group leader gives each group a copy of a different shopping situation. Groups are told that they have a limited time in which to prepare the skits. Thirty to forty-five minutes is generally adequate.
4. Each group is assigned to a room or space to prepare a skit. The leader moves among the groups to make sure that everyone understands what he is supposed to do.
5. After the groups plan the skits, they reassemble in the main room. Chairs should be arranged to face the place where the skits will be performed. The first group presents its skit before all participants. The leader then leads a *brief* discussion about the three shopping questions. The second group gives its skit and the same process is followed for a brief discussion. Follow this format for each succeeding skit.
6. After the completion of all the skits, the leader uses the ideas presented in all skits to lead a general discussion on shopping.

TIPS FOR THE LEADER:

A. The discussion following the skits should focus on the content of the skits and *not* on the acting of the players.

B. Groups should not be allowed to work on their skits during the presentations or group discussions. All work on skits should be stopped after the preparation period.

C. The groups do not have to develop a skit that shows the "right way" to shop. They may choose to enact a skit that exemplifies the "wrong way". No matter what material is presented in the skits, the answers to the shopping questions must be emphasized.

D. From the discussion after each skit, different styles of shopping and budgeting will become apparent. The three questions posed in each situation should be analyzed in depth.

   1. What kinds of items should be bought? New or used? How many?
   2. Where should they be bought?
   3. How should they be financed? Cash, lay-away, revolving charge account, installment contract, etc.?

E. The discussion could also involve analyzing the process of how the answers to these questions were determined:

1. Were all members of the family consulted or did one person take the sole responsibility for the purchase?
2. What were the particular influences on the choices made? Were advertising, salespersons, advice from neighbors, or peer pressure influential in the decision-making process?
3. Can children do anything to help their family meet its needs and wants? (This may involve understanding the family's financial situation and/or contributing to the family income.)
4. Were any alternatives to using money discussed? (For example, food stamps, surplus commodities, or other government programs.)

SHOPPING SITUATION #1: BUYING WINTER CLOTHING

Mr. and Mrs. John Silk and their three children, Susie (15 years old) Bill (9 years old) and Harold (4 years old) have recently moved to a northern city from Florida. It is September and time for everyone to go back to school, including Harold to nursery school because Mrs. Silk works. Since they've always lived in a warm climate, the children don't have winter coats or boots. The family has budgeted and saved so they have $150 to spend on clothes. Mrs. Silk has a sewing machine, but she doesn't sew well or quickly. The family's net monthly income is $600.00.

1. What kind of clothes should they buy?
2. Where should they buy them?
3. How should they pay for them?

SHOPPING SITUATION #2: BUYING TOYS FOR CHRISTMAS

Christmas will soon be here. Mrs. Rivera has been working part-time for a few weeks to save money for Christmas and to pay a $225 dental bill. Her husband earns $110 a week. The children are excited about Christmas and they keep talking about the toys that they see advertised on TV. Two weeks before Christmas Mr. and Mrs. Rivera are talking together about what they should buy the children for Christmas. Mrs. Rivera has saved $30.00 for presents for the children.

Carmen: 4 years old, keeps asking for a toy electric oven that really can bake. It heats up to 300 degrees.

Miguel: 7 years old, wants a battery-operated robot that he saw on TV. It costs $19.50.

Roberto: 13 years old, wants hockey skates, hockey gloves and helmet, and hockey net.

1. What should the Riveras buy for their children?
2. How should they pay for it?
3. Where should they buy it?

SHOPPING SITUATION #3: SHOPPING FOR FOOD

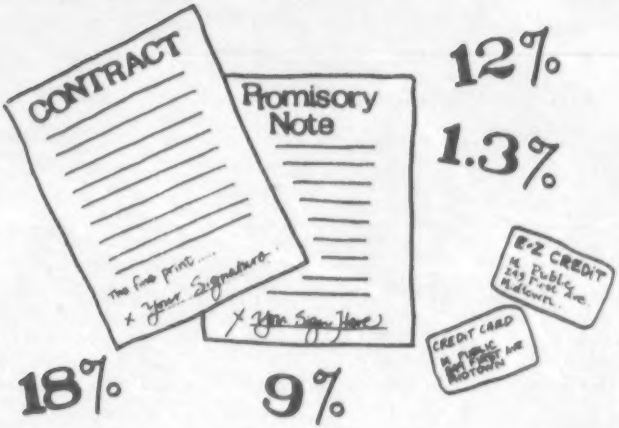
The Costellos are an elderly couple who are just getting used to living on a low income budget since Mr. Costello's retirement. They are trying to decide how much their food will cost them over a month's period. Because Mrs. Costello has an ulcer, she has to be careful about the kinds of food she eats. It is difficult for them to get to the nearest supermarket across town because they don't have a car. Their total net income is $250 per month: $175 from Social Security and $60 from a small retirement pension. In addition, they get about $15 a month from their only son who lives in Hawaii. They do not like to dip into this money as they put it away for emergencies.

1. How much should they spend on food?
2. How should they pay for it?
3. Where should they buy it?

SHOPPING SITUATION #4: A NEW REFRIGERATOR

Mrs. Fitzgerald has been on AFDC for a year and has been receiving $320 a month for her family of 3 children. She has 2 boys, Donald, age 16, Kevin, age 12, and a young girl, Cathy, age 4. Yesterday, her old refrigerator broke down and it will cost her more than it's worth to get it fixed. She must buy a new refrigerator quickly before all her food spoils. Even if she uses her flat grant money, she does not have enough to pay for the whole thing at one time. She decides to talk to her oldest son, Donald, about how to go about looking for financing a new refrigerator. Kevin and Cathy, however, never like to be left out of any "serious conversation" so they want to get their two cents in, too.

1. What kind of refrigerator should they buy?
2. How should they pay for it?
3. Where should they buy it?



CHAPTER 7
CREDIT AND CONSUMER PROTECTION LAWS

INTRODUCTION

The exercises contained in this chapter are experiential in nature, with one discussion-lecturette. We suggest that the leader introduce the subject of credit with a panel or the role plays. The discussion-lecturette on credit can be used to explain points that were not covered by the panelists or during the discussions following the role plays.

There is a wealth of written material available from many sources on credit and consumer protection laws. Some of this material is appropriate for adults with limited education levels. Sources available to the leader are also much greater than in most areas of consumer education. Consequently, we will not take space here to explain the many facets of obtaining and understanding credit or the laws governing the behavior of creditors and debtors.

We have one caution for any materials you use. Because many of the materials available are distributed by the credit industry, read them carefully to see if they are biased in favor of creditors. However, credit is an integral part of today's economic system and many industry materials are very good. It is important to re-emphasize that written material is most meaningful when used with activities which actively involve the student.

CREDIT AND THE CONSUMER: A PANEL WITH AN AUDIENCE REACTION TEAM

GOALS:

1. To introduce the subject of credit
2. To understand important consumer credit laws, such as Truth-in-Lending and the Fair Credit Reporting Act
3. To understand rights and responsibilities of both creditors and debtors

GROUP SIZE:

Unlimited (this exercise is well suited to large groups)

TIME REQUIRED:

Two hours or more depending on number of panelists

PHYSICAL SETTING:

1. One table at the front of the room for the panelists
2. One table (or a row of chairs) for the members of the Audience Reaction Team arranged at an angle to the main table so that the Audience Reaction Team can see both the panelists and the audience
3. Chairs for the rest of the participants arranged in a series of semi-circles facing the panelists

PROCESS:

1. In planning for the meeting, the leader invites two to four people to serve on a panel. Depending on the group's interests, the panel might include any of the following:

   Banker
   Credit Bureau Representative
   Credit Manager for Department or Appliance Store
   Credit Union Representative
   County Extension Service Home Economist

Finance Company Representative
Legal Assistance Lawyer
Consumer Protection Agency Representative

2. The number of panelists invited to participate should be determined by the time available for each to speak. Allow at least fifteen minutes for each panelist plus time for discussion. In order to avoid a one-sided presentation, be sure that there is at least one panelist who can represent the point of view of the credit industry and one who can represent the consumer. Panelists should be told ahead of time what topics they should cover and how much time they will have to speak.
3. An Audience Reaction Team may be used to facilitate the discussion. Two to four audience representatives are chosen to sit at a small table next to the panelists. Their role is to listen carefully to each panelist, and to represent the entire group by asking questions they think the members would ask. They are to interrupt each speaker at appropriate moments to ask for clarification, definitions or examples.
4. The leader should serve as the moderator to facilitate the discussion and to make sure the panelists do not ramble on beyond their allotted time.
5. At the beginning of the panel leader should introduce all panelists by name, occupation, organization and topic.
6. Each panelist is given fifteen minutes for his presentation. Leader should allow questions from the Audience Reaction Team after each panelist.
7. The leader may want to give the panelists an opportunity to question each other before asking the Audience Reaction Team and audience-at-large for questions.
8. After all panelists have completed their presentations, the leader asks the Audience Reaction Team if they have further questions.
9. The leader gives all members of the audience an opportunity to address questions to all panelists.

TIPS FOR THE LEADER:

A. The purpose of the Audience Reaction Team is to make sure that the panelists are speaking to the real interests of the audience. For example, if a speaker is out in left field, the responsibility of the Audience Reaction Team is to bring him back to the real concerns of the audience. This method is especially effective when the audience is too large to allow for everyone to ask questions.

B. In selecting people for the Audience Reaction Team, try to choose participants who are representative of the group so that the questions they pose will be of concern to the rest of the group. Avoid choosing people who are either very shy or so aggressive that they will show off before the group.

C. If you choose to use an Audience Reaction Team, discuss it beforehand with all panel members in order to make sure they consent to the use of this technique.

D. If an Audience Reaction Team is *not* used, then the leader should call for questions from the audience after each panelist has spoken. If all questions are held to the end, many people will forget their questions.

E. Be sure to assign topics to the panelists in advance so that presentations do not overlap.

EVERYTHING YOU ALWAYS WANTED TO KNOW ABOUT CONTRACTS BUT WERE AFRAID TO ASK: A ROLE PLAY IN TWO ACTS

GOALS:

1. To stimulate discussion on how to read a contract
2. To become familiar with laws regarding truth-in-lending and harassment of debtors

GROUP SIZE:

Three role players and an unlimited number of observers

TIME REQUIRED:

Minimum of forty-five minutes

MATERIALS UTILIZED:

1. Role description cards for each player
2. Two copies of the contract from E-Z Credit Company

PROCESS:

1. See role play discussion on page 12.
2. The leader reads Scene I Description to the entire group.
3. Three volunteers from the group are chosen for the roles. The two players in Scene I are given their roles for Scene I. Each player is given his role description separately and is not aware of the role of the other person.
4. The audience is told that *its* role in both Scene I and Scene II is to observe which consumer laws are presented in the role play.
5. Players enact Scene I of the role play in E-Z Credit Company.
6. Leader reads the description for Scene II after Mr. Broke has signed the contract and left the finance company.
7. Role descriptions for Scene II are given to the three players who are to participate in Scene II. Remember that two of these players have participated in Scene I.

8. Players enact Scene II. Leader directs Leslie Paymore to enter after Mr. and Mrs. Broke have discussed the contract.
9. The leader cuts the role play at the appropriate time and de-roles the players.
10. The leader asks for audience reaction to the role play and leads a discussion on the consumer protection laws presented in the role play.
11. The leader begins a discussion on contracts, truth-in-lending, and laws related to harassment of debtors.

TIPS FOR THE LEADER:

A. This role play is useful in stimulating discussion on laws regulating credit and collection of debts. It can also stimulate a more general discussion on different kinds of credit and under what circumstances one should use credit.

B. Questions that could begin a discussion include:
   1. Why do you think Mr. and Mrs. Broke might have found themselves in a situation where they had to borrow money from a credit company?
   2. What are the provisions of the Federal Truth-in-Lending Law?
   3. What should you know before you sign a contract?
   4. Under what circumstances may a creditor harass a debtor?
   5. What should Mr. Broke have done when he realized that he could not make his monthly payment?
   6. What should determine who manages the money in a family?

C. The leader should be thoroughly aware of the provisions of the Federal Truth-in-Lending Law and the Massachusetts State Law against undue harassment of debtors by creditors.

LAWS INCLUDED IN THIS EXERCISE

I. Provisions of the Federal Truth-in-Lending Law (see page 12).

II. Harassing and deceptive bill collection practices are illegal in Massachusetts.

A. These may include:

1. Telling or threatening to tell the debtor's relatives, employer or friends about the debt in order to encourage payment.
2. Sending collection notices in envelopes that imply that a debt is owed.
3. Contacting the debtor directly if the creditor has been asked to deal with the debtor's attorney.
4. Sending forged or fake "legal" documents to imply that court action has been taken against the debtor.
5. Telephoning the debtor frequently and repeatedly or at unreasonable hours.
6. Threatening to use violence if not paid.
7. Using offensive language to the debtor.
8. Threatening any action against the debtor that is not usually taken in the creditor's type of business.

B. Creditor may notify the Credit Bureau of the debt but must notify the debtor he is doing so.

C. Creditor must notify the debtor if he plans to hire an agent or attorney to collect the debt.

SCENE DESCRIPTIONS:

Scene I – Mr. and Mrs. Broke are in need of $350.00 cash as quickly as possible. They own their own home, but they have just discovered that they need a lot of plumbing work done. Until the work is done, they cannot use their sink or toilet. They do not have the cash on hand to pay for even the lowest estimate.

Scene II– It is now three months since Mr. Broke signed the contract. His daughter Susie has had pneumonia and Mr. Broke had to pay the hospital bill instead of his loan this month. Mr. Broke has received telegrams and a notice he thinks may be a court order. When the scene begins, it is 11:30 in the evening and Mr. and Mrs. Broke are talking about their problems.

ROLE DESCRIPTIONS:

SCENE I

MR. BROKE

You need to get $350.00 as quickly and easily as possible to repair the plumbing in your home. **Things are very bad as your family can't use the toilet or the sink.** You see an ad in the paper for "easy money" from the E-Z Credit Company. You are reluctant to go to the bank because of a previous bad credit record and decide to go to the credit company. You are so anxious to get the money that you **sign the contract without making sure all the blanks are filled in. You take your copy of the contract with you as you leave the office.**

SCENE I

LESLIE PAYMORE – E-Z CREDIT COMPANY MANAGER

You are anxious to make this loan. You need to make money urgently because your salary is getting lower and lower. **The policy of your company is not to ask many questions of your customers. Since Mr. Broke seems to be in desperate need of cash, however, you ask him if he has an emergency.** Mr. Broke signs the contract without all the blanks filled in. Naturally, **you do not inform him of the amount of interest your company charges.** Once he's gone **you add the finance charge of $105.00 or a whopping 30%** onto the contract.

SCENE II

MR. BROKE

You are very worried because you got behind in your payments. **E-Z Credit Company has been hounding you for the money but you just can't pay this month's bill of $37.91.** You finally decide to talk to your wife about the problem. You are ashamed and know she doesn't think much of the way you handle money. **She has been attending some consumer education classes at the "Y" and she may know what to do.**

SCENE II

LESLIE PAYMORE – E-Z CREDIT COMPANY MANAGER

You are most angry that Mr. Broke has missed his payment. You have already sent some notices that look like court orders and telegrams, but they have not done any good. You decide it's time to take some action. You make a visit to Mr. and Mrs. Broke at 11:30 p.m. to harass them about their bill.
(The leader will direct you when to enter the scene.)

SCENE II ONLY

MRS. BROKE

(You do not appear until the leader reads description of **Scene II**)

You have been attending consumer education classes at the "Y". When your husband tells you of his debt, **you ask to see the contract. You notice a blank by the "Finance Charge" and figure out that he's paying a true annual interest rate of 30%.** You figure your husband is a real dumbbell and you let him know it. You have learned in your classes that **all blanks in a contract have to be filled in according to the Truth-in-Lending Law**. You are angry at the credit company and think the contract may not be valid. You recently learned at class that **undue harassment to get someone to pay his bills is against the law**. When the manager of E-Z Credit Company shows up to collect his bill at 11:30 p.m., you are enraged at him.

PROMISSORY NOTE

Bedford, Mass.

For value received, undersigned maker(s), jointly and severally, promise to pay to the order of E-Z Credit Co. at the above place four hundred fifty-five dollars ($455.00) in 12 consecutive monthly payments of $37.91, each beginning one month from the date hereof and thereafter on the same date of each subsequent month until paid in full. Any unpaid balance may be paid, at any time, without penalty and any unearned finance charge will be refunded based on the "Rule of 78's". In the event that maker(s) default(s) on any payment, a charge of _____ may be assessed.

1. Proceeds	$ 350.00
2. _____ (Other charges)	_____
3. Amount financed (1+2)	$ 350.00
4. FINANCE CHARGE	_____
5. Total of payments	$ 455.00
ANNUAL PERCENTAGE RATE	%

Signed _____

_____

_____

DID YOU READ THE FINE PRINT?

GOALS:

1. To stimulate discussion on how to read a contract
2. To become familiar with the Buyer's Remorse Law

GROUP SIZE:

Three role players and an unlimited number of observers

TIME REQUIRED:

Minimum of thirty minutes

MATERIALS UTILIZED:

1. Role description cards for each role player
2. Copy of contract from Acme Oil and Heating Company

PROCESS:

1. See role play discussion on page 12.
2. The leader reads the situation to the entire group.
3. Three volunteers from the group are assigned roles separately.
4. The audience is told that its role is to observe what consumer laws are presented in the role play.
5. Players enact the role play.
6. Leader cuts the role play at the appropriate time and de-roles the players.
7. The leader begins a discussion on contracts and the Buyer's Remorse Law.

TIPS FOR THE LEADER:

A. This role play can stimulate participants to discuss what they should do *prior* to signing a contract. It is also useful for starting a discussion on the motivation of salespersons and consumers.

B. Questions that could begin a discussion include:

1. Can Mrs. Sims cancel her contract?
2. What specifically is the Buyer's Remorse Law?
3. Can you think of other instances when this law might apply?
4. Can you get out of a contract signed in a store?
5. What should you know before you sign a contract?
6. What influenced Mrs. Sims to sign the contract?

C. The leader should be familiar with the Buyer's Remorse Law (see below).

D. Before signing a contract:

1. Read and understand *everything* that is in it.
   a. What does the fine print say?
   b. What happens if you miss a payment?
   c. What is covered under the guarantee (parts and labor or only parts, how long, by whom, etc.)?
2. Comparative shop for all major purchases:
   a. Ask friends.
   b. Read newspaper ads.
   c. Call various stores or companies to find out what they charge for a similar item.

SUMMARY OF THE BUYER'S REMORSE LAW (MASSACHUSETTS STATE LAW)

1. If a contract has been signed at a place *other than the seller's principal place of business*, the buyer may cancel the contract by notifying the seller no later than midnight of the third business day following the signing of the contract.
2. The contract must involve a cash purchase costing more than $25.00 *or* specify four or more payments involving interest.
3. The buyer should cancel by sending a registered letter or telegram to the company and should keep a copy of the letter for his own records.

4. After the buyer cancels, the seller is required to return any deposits or down payments.
5. After the buyer cancels, the seller must mark the cancellation on his own copy of the contract and return the contract to the buyer.
6. The buyer may cancel even after merchandise has been delivered, but the merchandise must be returned after the contract is cancelled.

DESCRIPTION OF SITUATION:

Mrs. Sims is an elderly woman who has lived alone for the past year since her husband died. Last winter, she was constantly having trouble with her furnace. She has a new furnace this year, and is determined to buy enough oil to last her the whole season.

ROLE DESCRIPTIONS:

MRS. SIMS

You are a senior citizen and very much concerned about heating your home during the coming winter. A young man comes to your home and tells you that he gets a commission on selling contracts to heat homes with Acme Oil and Heating Company. The contract says "Pay only $150.00 for the winter for as much oil as you need – 24 hour service." **You do enjoy talking to the young gentleman and find yourself signing the contract without reading it carefully.** Later that afternoon your neighbor, Mrs. Kelly, comes over to have coffee and you tell her about the contract.

BOB BARKER

You are 21 years old and work for Acme Oil. You took the extra assignment selling oil contracts door-to-door. **If you're really successful, you'll get a big promotion.** You go to Mrs. Sims' house with the old "I'm working my way through college" line. **You "forget" to point out the fine print which says that she has to pay for the 24 hour service after 5 p.m. and that there is a $225.00 limit on oil as well as other little details.** By charming her with your youth, you get her to sign the contract and you make a quick exit.

MRS. KELLY

(You knock on Mrs. Sims' door after the salesman has left.)

When you drop in next door to have coffee with your friend Mrs. Sims, you learn she has just signed a contract with Acme Oil. You pride yourself on your ability to find a bargain. You look at the fine print on her contract with Acme and compare it with yours from Co-op Oil Company. **While your contract for $200.00 costs more, there is no limit to the amount of oil you get (Acme has a $225.00 limit). With Co-op you never have to pay labor charges either.** You think Mrs. Sims has really been "had" and **you try to help her figure out some way to get out of the contract with Acme Oil.**

ACME OIL AND HEATING COMPANY
1001 MAIN STREET
TYLER, MASS. 01010

SAVE 33 1/3% ON FUEL FOR THIS WINTER!!!!!!!!!!
$225.00 WORTH OF OIL FOR JUST $150.00!!!!!!!!!
CLEAN OIL HEAT FOR THE WINTER
OCTOBER 25 – MARCH 17

24 HOUR SERVICE – ALL WINTER LONG!!!!!!!!!!
WE CLEAN YOUR TANK AT NO EXTRA COST

START NOW!!!!!!!!!! Give a small down payment (25% by October 25, 1973)

PAY THE REST MONTHLY!!!!!!!!

BE WARM THIS WINTER ----- USE ACME

This contract is subject to the following conditions:

–Customer is responsible for purchasing oil above $225.00.
–Customer must pay for all parts and labor after 5:00 p.m.

Signed _____

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UNDERSTANDING CREDIT: A DISCUSSION – LECTURETTE

GOALS:

1. To define credit, and identify sources and types of credit
2. To gain a clear understanding of the Truth-in-Lending Law, the Fair Credit Reporting Act and laws regarding credit card liability

GROUP SIZE:

Any number

TIME REQUIRED:

One hour minimum

MATERIALS UTILIZED:

Newsprint, markers and masking tape

PROCESS:

1. See explanation of a discussion-lecturette, page 16.
2. This discussion – lecturette is presented in the form of questions followed by answers and explanations. The leader should attempt to elicit as many answers to the questions as possible from participants. If participants cannot answer a question completely, the leader may add additional points and clarify any questions. Responses to questions should be listed on newsprint so that participants may see the points they have covered.
3. Outline for discussion – lecturette:

   A. What is credit?

      A way of having goods or money now without having to pay cash at the time of purchase.

   B. What are some sources of credit?

      1. Stores
      2. Banks
      3. Credit Unions
      4. Finance Companies

5. Life Insurance Companies
6. Other (loan sharks, etc.)

C. Can you name three types of credit and explain something about each?

1. Charge Account

   a. Thirty, sixty or ninety day accounts. In each case, the account is paid off over the specified amount of time (thirty, sixty or ninety days) and no interest is charged.

   b. Revolving Charge. Depending on the customer's income and credit rating, his purchases are limited to a certain amount of money and he agrees to pay a specified minimum amount each month. For example, the limit might be $100.00 and he may have to repay at least $10.00 per month. The interest rate on this type of account is usually 1½% per month on the average daily balance or 18% per year.

   c. All types of charge accounts apply to making a purchase at a store.

2. Lay-Away

   A store agrees to put an item "away" for a customer until it is paid for. The customer pays a certain percentage "down" and agrees to pay a specified amount each week. He does not receive the item until it is completely paid for and there is no charge for the service. The lay-away plan applies to making a purchase at a store.

3. Installment Plan

   Generally used for large items and loans, this plan requires the customer to make a down payment and sign an installment contract. The contract specifies the amount and number of payments as well as the annual percentage rate of interest. Customer has the use of the item while he is paying for it, but does not actually own the item until all payments are made. The customer pays an interest charge (or finance charge) for having the use of the item or money before it is paid for. When

purchasing a large item, the customer may have the option of financing it through the store or taking out a loan from a bank, credit union or finance company to pay for the purchase.

D. What are the provisions of the Federal Truth-in-Lending Law?

Every contract must state clearly:

1. The finance charge – total cost of loan in dollars and cents.
2. The annual percentage rate – percentage of the cash price that is added each year as interest.
3. Any charges such as loan fee, insurance, etc. stated clearly.

E. What is the Federal Fair Credit Reporting Act?

1. A *credit file* or *credit record* contains a written record of a customer's bill paying habits and his court record if he has one.
2. A *credit bureau* is an organization supported by businessmen which keeps extensive credit records on all consumers who have ever had credit.
3. The Fair Credit Reporting Act provides that the consumer has the right to:
   a. Know what is in his credit file at the Credit Bureau.
   b. Correct any errors that exist in his credit file.
   c. Submit a written statement to be attached to his credit file if there is a dispute over any information. This statement will become a permanent part of any subsequent report given out.

F. What is the federal law regarding unsolicited credit cards?

1. Federal law prohibits sending an unsolicited credit card except when the card is sent as renewal or replacement of an old card. A consumer is considered to have "accepted" a credit card, if:
   a. He requested the card in writing.
   b. He had his picture taken for imprinting on the card.

c. He signed a cardholder agreement.

d. He made or authorized someone to make a purchase with the card.

2. If purchases are made on an "unaccepted" card that has been lost or stolen, the credit card company is liable for all charges made on the card.

G. What is an individual's liability limit for a lost or stolen credit card?

According to federal law, if a credit card is lost or stolen, the maximum liability the card holder must assume is $50.00 per card.

TIPS FOR THE LEADER:

A. It is very important for the leader to gear the content of this discussion–lecturette to the needs of the group. Some groups may want additional information while others may find the information contained in this exercise too complicated. The leader must be aware of these possibilities and either omit some material or bring in outside resources (booklets and/or speakers) accordingly.

B. The leader may break up the discussion part of this exercise with an activity such as learning to use the services of a bank (savings accounts, how to fill out a check) or filling out a credit application for a store, bank or finance company.

C. If the leader wishes to maintain the group's interest, as a rule he should never lecture continuously for more than 10 minutes.

D. Some additional discussion questions the leader may wish to raise include:

1. What are some of the "pros" and "cons" of using credit?
2. What are some of the possible problems with the lay-away plan?
3. How much credit is too much?
4. What are some questions you should ask yourself before you buy on credit?
5. How important is it to "shop around" for money?
6. What items on a contract can easily be compared (i.e., annual percentage rate and dollar cost of credit)?

CHAPTER 8

THE BUSINESSMAN AND THE CONSUMER: RIGHTS AND RESPONSIBILITIES

INTRODUCTION

The main purpose of this chapter is to present the responsibilities as well as the rights of consumers and businessmen. Businessmen's rights often overlap with consumers' responsibilities and consumers' rights may coincide with businessmen's responsibilities. For example, a businessman's "right" may be to have courteous and honest customers and the consumer's "responsibility" is to *be* courteous and honest. Likewise, a consumer's "right" may be to have products perform as advertised and the corresponding businessman's "responsibility" is to advertise honestly and sell reliable products. This interrelationship between the businessman and the consumer will be emphasized in this chapter. It is our goal to have each understand the other's perspective.

Throughout this book, the focus has been on the consumer: how to use money wisely and how to make use of the consumer protection laws. In addition, focus needs to be placed on the businessman's point of view. Only when the consumer and the businessman are able to understand each other's problems and desires will there be a marketplace that meets the needs of both. This chapter includes exercises which point out the rights and responsibilities of both groups and shows how consumer behavior affects prices and services.

UNDERSTANDING THE BUSINESSMAN'S HEADACHES: A FIELD INTERVIEW

GOAL:

To gain a first-hand understanding of businessmen's problems with consumers

GROUP SIZE:

Four to twenty

TIME REQUIRED:

One to one and one-half hours to give assignment and to develop questionnaire
Time between sessions for participants to carry out the field interview (approximately one hour including short discussion after interview)
One hour to share results and discuss possible solutions

MATERIALS UTILIZED:

1. Paper and pencils for participants
2. Newsprint, markers and masking tape

PROCESS:

Preparation for Field Interview

1. To introduce this exercise, the leader asks participants what they think some of the businessman's problems with consumers are. The leader lists responses on newsprint in front of the group.
2. The leader divides participants into teams of two or three people depending on size of the group.
3. The leader then assigns each team a local store to visit. They may be department stores, appliance stores, specialty shops or supermarkets. Each team is to interview the store manager concerning his major problems with consumers.

4. Each team develops 3-5 questions to ask the store manager. The leader should allow plenty of time for each team to complete this process.
5. The leader may wish to suggest to the group possible questions which may be asked. In addition, he should explain the importance of asking open-ended questions that require more than a "yes" or "no" answer. Each team writes its questions on a sheet of newsprint.
6. The leader should list all possible questions on newsprint and ask participants to choose the 6-8 best questions for the questionnaire.
7. The leader should make sure that all the teams have listed all the questions before leaving the session.
8. The leader may wish to discuss with participants some tips on setting up and beginning an interview. Team members should call their assigned store manager to set up a specific time for the interview and mention the number of people who will be talking to him. At that time and again at the beginning of the interview, members should introduce themselves and explain the purpose of the interview.
9. Time between sessions should be allowed for teams to visit the stores. Team members should be encouraged to meet together briefly after talking to the store manager to evaluate the interview and plan their presentation to the larger group at the follow-up session.

Follow-up Session After Interview:

1. In the follow-up session, each team chooses a spokesman who presents the answers to its questions to the entire group.
2. The leader then conducts a discussion on the problems consumers cause businesses. The leader may ask the group to make suggestions for a list of what makes a courteous consumer.

TIPS FOR THE LEADER:

A. Before assigning stores to participants, the leader may wish to call the store managers to make sure they are willing to cooperate with the assignment.

B. Leader should help the teams develop their questionnaires so that they ask questions that will elicit meaningful answers. The advantage of open-ended questions is that they allow the person interviewed more flexibility and freedom, and the interviewer is able to obtain more complete information.

C. Following are several suggestions for questions that may be asked. These are *just* suggestions. You and/or your group will be able to develop many others.

1. What are your major complaints when it comes to consumers?
2. How does consumer abuse affect the prices of items in your store?
3. Does your store have any mechanism for preventing shoplifting? Does it work?
4. Do you have any suggestions for improving consumers' behavior?
5. What can we as participants in a consumer education (or other) group do to make your store a better place to shop?

D. In the discussion at the follow-up session, the leader may want to pose some of the following questions:

1. Did you find your store manager cooperative?
2. Did any of his answers surprise you?
3. Do you feel you understand the store's point of view better after talking to the manager? Why or why not?
4. Taking into consideration what you learned from talking to the manager, what characteristics would you include in a profile of the "ideal customer"?

THE NOT-SO-NICE CONSUMER

GOALS:

1. To try to understand the businessman's point of view
2. To recognize how our own behavior may affect the prices of goods and services

GROUP SIZE:

Three role players and an unlimited number of observers

TIME REQUIRED:

Approximately forty-five minutes to an hour depending on the desired length of the discussion after the role play

MATERIALS UTILIZED:

Role description hand-outs for each of three players (these can be typed on 5" x 8" cards)

PROCESS:

1. See role play description, page 12.
2. The group leader reads the situation to the entire group.
3. Three people (preferably volunteers) are chosen to play Mrs. Gall, Mrs. Rider and Mrs. Kane, the saleswoman. Each player is given his role description separately and is not aware of the roles of the others.
4. The audience is told its role is to watch the role play and to begin to think about the businessman's point of view.
5. The players enact the scene in the coat department of the Beauty Boutique.
6. The leader cuts the role play at an appropriate time and de-roles the players.
7. This is followed by a general discussion of how some consumers' *bad* habits influence business policies as well as the price of goods and services.

TIPS FOR THE LEADER:

A. The purpose of this role play is to point out some of the ways consumers contribute to the high cost of products. For example, your group may want to develop a list of "consumers' responsibilities" with corresponding "businessmen's rights." For example:

Consumer Responsibilities	Businessman's Rights
1. To respect merchandise	1. To have customers respect merchandise
2. To be aware of one's financial situation	2. To be paid
3. To intend to keep purchases	3. To have a minimum number of purchases returned
4. To be courteous	4. To have salespeople treated courteously

B. Some questions for discussion may include:

1. Does the salesperson have any "rights"?
2. What are some of the things that Mrs. Gall did "wrong"?
3. How could Mrs. Gall's behavior contribute to higher prices in the Beauty Boutique?
4. How could Mrs. Kane have handled the situation differently?
5. Have you ever been in Mrs. Rider's position? What, if anything, could she have done?
6. What are some general guidelines for behavior when consumers and salespeople interact?
7. Why should the consumer respect merchandise?

DESCRIPTION OF SITUATION:

Mrs. Gall and her friend, Mrs. Rider, have been shopping all day and their last stop is the Beauty Boutique, a shop specializing in women's clothing. The two women are in the coat department of the store when the scene opens.

ROLE DESCRIPTIONS:

MRS. GALL

You have been shopping all day with your friend Mrs. Rider. **You're the type of person who thinks you don't get anything in this world unless you scream (literally) for it.** You have to be home in a half hour and are determined to buy another coat so **you yell for someone to wait on you.** You bought one coat already at the store across the street, but you're not sure you really like it. You quickly choose a coat and order the saleswoman who is answering a question for another customer to write up the sale for you because **you're** in a hurry. You know you've overspent your budget, but figure you'll wind up returning half the things you bought today anyway. **Even if you do decide to keep this coat, you don't have any idea how you'll pay the $150.00 bill, but charge accounts are for "paying later".**

MRS. RIDER

You have been shopping all day with your friend Mrs. Gall. She has made purchases at every store you've gone to. **You suggest to her at least once that maybe she should think about how she's going to pay for all of her new acquisitions.** By the time you reach Beauty Boutique, you are becoming really embarrassed by your friend. You try to prevent her from buying another coat since she's already bought one. **You just want to get out of the Beauty Boutique and the whole embarrassing situation as soon as possible.**

MRS. KANE – COAT SALESWOMAN AT BEAUTY BOUTIQUE

You try always to be courteous to customers because you believe the "customer is always right." Even though you work on commission, you feel the customer's satisfaction is the most important element in a sale. Since you know it costs your store money to accept returns, you do your best to see that the size, style and color of the coat a customer purchases are right for her. At the end of a very busy day, **your patience is taxed to the limit by Mrs. Gall, but you try to be as kind and courteous to her as you would be to any other customer.**

THE BUSINESSMAN AND THE CONSUMER: THEIR RIGHTS AND RESPONSIBILITIES

GOALS:

1. To recognize both the responsibilities and the rights of consumers and businessmen
2. To examine the relationship between consumer behavior and business practices

GROUP SIZE:

Minimum of eight

TIME REQUIRED:

Minimum of one hour

MATERIALS UTILIZED:

1. Large index card for each subgroup
2. Newsprint, marker and masking tape for each subgroup
3. Paper and pencil for each subgroup

PHYSICAL ARRANGEMENT:

Place for each subgroup to write on newsprint (either a table or desk chairs for participants)

PROCESS:

1. The leader divides the group into eight subgroups (if there are less than sixteen people, use only four subgroups and do not have subgroups join together).
2. The leader gives an index card to each subgroup. The cards are marked as follows:

   Consumers' Responsibilities Consumers' Rights

   Businessmen's Rights Businessmen's Responsibilities

   If there are eight subgroups, there should be two cards for each category.

3. Leader asks subgroups to make lists of as many items as possible in their assigned category. The leader gives an example for each category:

   Consumers' Responsibility: pay bills on time

   Businessmen's Right: courtesy and honesty from customers

   Consumers' Right: merchandise must perform as stated

   Businessmen's Responsibility: honest advertising

4. Each subgroup works on its list for five minutes.
5. The leader asks subgroups with the same assignment to join each other. The combined subgroups now have ten minutes to combine lists and make additions. The combined lists should then be written on newsprint. Each subgroup should choose a spokesman.
6. When the subgroups have finished recording their lists on newsprint, the leader asks the spokesman from the "Consumer Responsibilities" subgroup to display his group's list in front of the room and read it aloud. Leader then asks all the participants to make additions to the list.
7. Step six is repeated until all subgroups have reported. The subgroups should be called on in the following order: Consumers' Responsibilities, Businessmen's Rights, Consumers' Rights, Businessmen's Responsibilities.
8. After all lists have been shared, the leader asks how the lists relate to one another.

TIPS FOR THE LEADER:

In the discussion following the presentation of all four lists of rights and responsibilities, leader may wish to ask some of the following questions:

1. How does one person's right correspond with another's responsibility?
2. Do you think most consumers think of their responsibilities when shopping in the marketplace? Why or why not?
3. What are some possible consequences if either consumers or businessmen do not accept their responsibilities?

CHAPTER 9
SEEKING HELP WITH CONSUMER PROBLEMS

INTRODUCTION

The purpose of this section is to train individuals in the use of consumer resource agencies. The first exercise of the chapter deals primarily with identifying and approaching consumer groups and agencies. The remaining exercises help develop skills in the filing of complaints.

Consumers fail for many reasons to use agencies that are specifically designed to help consumers.

1. They may not know their rights and therefore are unaware of the possibilities of redress.

2. They may not know where to go for help.
3. They may lack confidence in approaching a bureaucratic organization with a problem. They may not know how to write a letter or how to reach the right person on the phone. This lack of confidence especially in consumers with limited income and formal education often prevents them from getting satisfaction from complaints.

In this chapter we have shifted our focus. Exercises in the previous chapters are intended to help consumers learn their rights and responsibilities. Here, however, we offer exercises which help participants develop skills in the process of making consumer complaints. This means that participants must first learn how to locate resources. Once appropriate agencies are found, participants must know how to approach them.

Though the exercises in this chapter may seem extremely elementary to some readers, they are designed especially to help the less sophisticated consumer learn how to gain confidence in his ability to deal with the complaint "network". It is our belief that if the methods suggested here are followed, resource agencies are likely to be more responsive to the average consumer.

There are vast numbers of business and government agencies, offices and organizations whose tasks range from accepting consumer complaints to taking legal action against violators. Part of the consumer's plight in seeking help with a problem is overlapping of responsibilities and fragmentation of services throughout all levels of government with regard to consumer service. The Federal Government alone has literally hundreds of offices that have some responsibilities to consumers.* Because of a lack of uniformity of laws and legal recourse among states, the group leader will have to investigate specific resources in his own community. The following is a list of some of the major sources which handle consumer complaints.

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*Goody L. Solomon *The Radical Consumer's Handbook*. Ballantine Books, New York, 1972. This is an excellent source for names and addresses of specific consumer protection agencies.

Business

–Local Chamber of Commerce – Often has consumer advisory boards whose members may visit member companies to issue consumer complaints.

–Local Better Business Bureau – Voluntary organization of businessmen which will attempt to mediate complaints against businesses which don't flagrantly violate the law. Will report complaints lodged against a given company to anyone who inquires. Has no legal powers and has no control over non-members.

–Trade or Professional Associations – Can ask unethical members to resign. Some are attempting to set up effective guidelines for trade practices.

State and Local Government

Regulation of business within cities and states is usually the job of state, county and city governments. There are many consumer protection offices among these. Often state and local agencies, if adequately funded and staffed, can do more for consumers than federal agencies. However, state and local consumer agencies vary greatly from area to area.

In most states, the attorney general enforces consumer protection laws. However, occasionally other state departments have the power of enforcement. Following is a list of some of the state and local agencies which may handle consumer complaints:

–City or County Consumer Protection Office

–Attorney General's Office

–State Consumers' Council

–Other state offices, including

Agriculture	Pharmacy
Banking and Commerce	Public Utilities
Conservation	Welfare
Insurance	

Federal Government

Federal resources for consumer protection are fragmented and diverse. Following is a list of a few of the agencies which are most likely to respond to consumer complaints:

–White House Office of Consumer Affairs – The President's Special Assistant for Consumer Affairs has powers to intervene on behalf of consumers who present legitimate complaints. In the case of violation of federal laws, this office can refer the complaint to the appropriate federal agency.

–Letters and/or phone calls to senators and congressmen often will be quickly referred to the proper authorities in the federal government. In addition, legislators can use the complaints as a guide in suggesting legislation.

–Federal Trade Commission – Has power to take action against individuals and businesses who engage in unfair or deceptive practices such as bait and switch advertising. However, the FTC is limited to cases which involve interstate commerce and may only take cases it believes to be in the *public interest*. It takes a very long time (usually three to five years) for an order to become final.

–U.S. Postal Service – Checks mail for possible fraud and maintains liaison with other government agencies and local authorities for potentially illegal activities involving misuse of mails.

Legal Recourse

–Private attorney, Legal Services Bureau, Lawyer Referral Service.

–Small Claims Court – Many states have small claims courts which usually require that the amount of the claim be less than a certain dollar amount. For a very small charge, anyone over 21 years of age can sue and defend minor claims without the need for an attorney. Strict rules of legal procedure and evidence do not apply. Both parties involved in a dispute appear before a judge and state their claims. The judge then determines who is legally correct and awards damages accordingly.

THE TELEPHONE BOOK: A RESOURCE FOR THE CONSUMER

GOALS:

1. To develop a list of private and government consumer agencies where consumers can seek help
2. To learn how to use the telephone directory for locating consumer agencies and other resources

GROUP SIZE:

Four to twenty

TIME REQUIRED:

Thirty minutes to one hour

MATERIALS UTILIZED:

1. Telephone directory for each participant (if the group is large, two or three participants can share one directory)
2. Yellow Pages for the variation of the exercise
3. Newsprint, markers and masking tape
4. Paper and pencils

PROCESS:

1. The leader explains that the goal of this exercise is to develop a list of agencies to help with consumer problems through use of the telephone book.
2. In front of the group, the leader posts a sheet of newsprint with a list of five or six consumer agencies. This list should include both private and public agencies. A sample list could read as follows:

   Better Business Bureau

   Boston Consumers' Council

   Credit Bureau Services

   Food and Drug Administration

   Consumer Protection Division of the Attorney General

3. Each participant is given a copy of the telephone directory.
4. The participants are told to locate in the telephone book each agency on the list. They are to write down the name and address of the agency as it is listed in the phone book.
5. The leader asks the participants to signal when they have located all the addresses and telephone numbers. Since it is likely that in some groups, no participant may be able to locate all the phone numbers, the leader may ask the participants to indicate when they have located as many numbers as they can find.
6. The leader calls on a volunteer to give the complete name, address and telephone number for the first name on the list. The volunteer also explains the way in which the organization is listed in the telephone book. An agency can be listed in one of two ways: (1) under the general alphabetical listing or (2) under the listings for a particular branch of the government such as city, state or United States government.
7. Every participant who was unable to find a particular listing is asked to try to find it in his telephone directory.
8. This process is continued until all agency names have been located in the directory.
9. The leader then asks for someone to organize the sample list under the appropriate listings used in the telephone book. This new list should be done on newsprint in front of the room. For example, the sample list above could now look like this:

ORGANIZATION LISTED ALPHABETICALLY UNDER TITLE:

Better Business Bureau

Credit Bureau Services

GOVERNMENT AGENCIES LISTED UNDER THE APPROPRIATE BRANCH OF GOVERNMENT:

Boston – City of

Boston Consumers' Council

Massachusetts – Commonwealth of

Attorney General Department

Consumer Protection Division

United States Government

Food and Drug Administration

Consumer Phone

TIPS FOR THE LEADER:

1. At first, the use of phone books may seem overly simplistic. Many people, however, do not understand the different ways that agencies and organizations are listed. To facilitate this exercise, the leader can give an example of his own personal difficulty in locating a title in the phone book.
2. The leader should choose agencies that are relevant to the geographic area where the participants live. The agencies included in this exercise are only suggestions.
3. The list of agencies posted on newsprint should include organizations connected with business, citizen groups and government. In addition, local, state and federal agencies should be included. At the end of the exercise, participants should understand that if they do not know how an organization is listed, they can check: (1) general alphabetical listing (2) listings for local, state and federal government. The leader should make sure that the participants understand that the white and yellow pages can be used for locating all kinds of information (i.e., welfare offices, hospitals, counseling services, etc.).
4. The leader or a volunteer from the group may want to type up the list of consumer resources that the group has developed. The list can then be reproduced and distributed to all group members for future reference.
5. This exercise can be used to stimulate discussion on the purpose of different consumer agencies and organizations as well as the different levels of government which are involved in consumer affairs. If participants express interest in learning more about a particular agency, the leader may want to arrange either a field trip to the organization or a visit by a guest speaker from the agency.

HOW TO MAKE A CONSUMER COMPLAINT: A DISCUSSION-LECTURETTE

GOAL:

To become familiar with different methods of making a consumer complaint

GROUP SIZE:

Any number

TIME REQUIRED:

Thirty minutes

MATERIALS UTILIZED:

Newsprint, markers and masking tape

PROCESS:

1. This discussion-lecturette may be used as an introduction to the area of filing consumer complaints and is best utilized *before* the other exercises in this chapter.
2. See explanation of a discussion-lecturette, page 16.
3. This exercise is presented in the form of questions followed by possible answers. Leader should elicit as many of the answers as possible from participants. Responses to questions should be listed on newsprint so that participants can see the points covered.
4. This exercise is divided into two areas: (1) general points to be made when making a complaint of any kind and (2) more specific points about making a complaint by phone, letter or in person.

General Points for Filing Complaints

A. What are some of the different ways of filing a consumer complaint?
   1. Making a telephone call
   2. Writing a letter
   3. Making a personal visit

B. What are the first steps when making any kind of consumer complaint?

1. Make sure you are complaining to the right person. Know his correct name and title.
2. Identify yourself and explain your complaint as clearly and concisely as possible.
3. Explain what action the store or agency should take on your complaint (i.e., replace item, refund money or file a lawsuit on your behalf). You may not know specifically what action the agency might take, but you should make clear your choice of alternatives.

C. After receiving a response from the complaint representative or agency, what should you do?

1. Make sure you understand clearly what he has said. Ask questions if necessary.
2. Find out recourse (if any) if your complaint is not answered to your satisfaction.

Specific Points for Filing a Complaint

D. Specifically, what are the steps to take when making a complaint by telephone?

1. Call general number of the store or agency.
2. Briefly explain your problem and ask to be referred to the proper person.
3. Once referred, introduce yourself and describe your problem. Verify that you are talking with the right person. Write down his name and title. If referred to someone else, follow this step again.
4. Explain your problem in detail including: when you purchased the item, date when the item failed to perform properly, what happened to the item and any guarantees that may apply.
5. Explain what you want done about your complaint, including your legal rights if necessary. (If you are not clear on your legal rights, contact your Attorney General's Office or a legal resource in your community.)

6. Listen carefully to the response to your complaint. Ask questions if you do not understand.
7. Double check the name, title and address of the person to whom you are complaining and ask if you may call back if you have any further problems or questions.
8. If you desire a written record of your complaint, follow up your phone call with a letter to the person with whom you have talked. Your letter should include the date of the call and a statement of the problem, as well as any suggested solutions.

E. What different steps, if any, should be taken when filing a complaint in person?
1. Most of the steps listed under filing a complaint by phone apply.
2. If possible, take the item you are complaining about with you when making a complaint in person.

F. Specifically, what steps should be taken when making a consumer complaint by letter?
1. Call complaint center or agency and find out name, address and title of the person who should receive your complaint.
2. Write the letter, being sure to include the main information about your complaint in the first paragraph. Information such as when the product was purchased and when the problem occurred should be included. A second paragraph can contain additional details and a fuller description of the problem.
3. Make sure you state if your product is protected by a guarantee. Also refer to any consumer law or store policy that you know protects you as a consumer.
4. When appropriate include in your letter photocopies of contracts, guarantees, receipts, cancelled checks and any previous complaint letters. Be sure to keep the originals of these documents for your own files.
5. Sign your full name and address to the letter.
6. If you desire, request a written response to your complaint letter to verify that action has been taken.
7. If you wish a receipt stating that your complaint has reached its destination, send it by certified mail.

G. What steps should be taken when making a written complaint to a consumer protection agency?

1. For a partial listing of consumer agencies, see the introduction to this chapter.
2. Determine if the agency has a special complaint form. If possible, make your complaint on this form.
3. If you use a complaint form, attach a cover letter which briefly explains your problem.
4. If the agency does not have a form, write a letter following the general guidelines for making a consumer complaint by letter.
5. In your letter explain what you have already done to solve your complaint.
6. Include in the letter photocopies of any previous correspondence you may have had with the merchant, manufacturer, etc., regarding your complaint.

TIPS FOR THE LEADER:

A. The leader may wish to *begin* this exercise by asking for personal experiences participants may have had in filing complaints in person, by telephone or by letter. A time limit should be put on each personal experience so that the discussion is not centered on just one individual's problem. The leader can then move from specific cases to generalizations about making complaints.

B. The leader should avoid answering questions if at all possible. He should think of additional questions that may elicit the desired responses from participants.

C. Some additional discussion questions leader may ask include:

1. What are the advantages and disadvantages of filing complaints by telephone, in person or by letter?
2. Is it important for the customer to know his legal rights before making a complaint? Why or why not?
3. What are some possible sources the consumer may use for finding out his legal rights?
4. What should the consumer do if his complaint is not acted upon by the person who agreed to do so?

THE SAGA OF THE BROKEN REFRIGERATOR

GOALS:

1. To develop skills in making a consumer complaint by telephone
2. To learn to cope with the "bureaucratic run around"

GROUP SIZE:

Five role players and an unlimited number of observers

TIME REQUIRED:

Minimum of forty-five minutes

MATERIALS UTILIZED:

Role description cards for players

Newsprint, markers and masking tape

PROCESS:

1. See discussion of role play page 12.
2. The leader reads the role play situation to the entire group.
3. Five volunteers from the group are assigned roles separately.
4. The audience is told its role is to listen carefully to the players. Specifically, they are to listen for *what to do* and *what not to do* when filing a complaint over the phone.
5. The players enact the role play.
6. The leader cuts off at the appropriate time and de-roles the players.
7. The leader begins the discussion following the role play.

TIPS FOR THE LEADER:

A. To minimize confusion, the leader can ask all the role players to sit together at the front of the room throughout the role play.

B. The discussion following this role play should be based in part on the points brought out by participants in the discussion-lecturette, "How to Make a Consumer Complaint".

C. In going over Mrs. Garcia's role card with her, make clear that she is to include the complaint about her tile floor to everyone with whom she speaks.

D. Some possible questions for discussion after the role play could include:

1. How did Mrs. Garcia cope with the "bureaucratic run around"?
2. What could she have done to avoid having been referred to the wrong person?
3. What would have helped the refrigerator salesman *not* to refer Mrs. Garcia to the wrong department?
4. Did Mrs. Garcia know her rights as a consumer?
5. Did she explain her problem to the receptionist in as great depth as she did to the customer service department? If not, why not?
6. Did she keep track of the names of the people and divisions to whom she was referred?
7. Was Mrs. Garcia clear on the provisions of her guarantee (i.e., *who* guarantees *what* for *how long)?*

DESCRIPTION OF SITUATION:

Mrs. Garcia purchased a new refrigerator from Reliable Department Store just six months ago. It has already broken down twice. Her guarantee states that the store where she bought the refrigerator is responsible for all parts and labor for one year after the date of purchase. She is so disgusted with the third breakdown which occurred this morning that she decides to register a complaint by phone with Reliable.

ROLE DESCRIPTIONS:

MRS. GARCIA

For the last week your "new" refrigerator which is still under guarantee has been leaking badly and ruining your kitchen floor. This morning it stopped working completely. **You are extremely upset because your tile floor is being ruined and your food is going to rot.** You call the store where you bought the refrigerator and tell the switchboard operator that your new refrigerator doesn't work at all. You are determined to get a satisfactory answer to your complaint even if you have to spend the whole day on the phone. **You make sure to tell every person including the receptionist not only about your refrigerator but also about your tile floor.** As the scene opens, you are dialing Reliable's number.

SWITCHBOARD OPERATOR – RELIABLE DEPARTMENT STORE

Your job at Reliable Department Store is to refer phone calls to the right department. **It is now 2:30 p.m. and you have been working the 9–3 shift and are quite tired.** Sometimes you wish people would not take so long in explaining whom they wish to speak with. You answer the telephone when Mrs. Garcia begins to dial. **When you receive Mrs. Garcia's call, you hear something about a refrigerator and connect her with the refrigerator department.**

REFRIGERATOR SALESMAN – RELIABLE DEPARTMENT STORE

Your part comes immediately after the switchboard operator. You have a heavy line of customers today and unfortunately the other salesman is out sick. This means you have to answer all questions and show off models of refrigerators as well as ring up the purchases at the register. **You feel particularly rushed as you grab a few minutes to answer the phone and speak with Mrs. Garcia.** As you listen to her, you are trying to do a million other things. **All you hear is a problem with a leaking floor and quickly connect her to the floor covering department.**

FLOOR COVERING SALESMAN – RELIABLE DEPARTMENT STORE

Your part comes immediately after the refrigerator salesman. You have not been particularly busy this morning. In fact, business has been slow this entire week. It seems as if people don't have the money to spend on floors. When the phone rings, you hope that it is someone ready to place an order and not just ask for general information. When Mrs. Garcia tells you her problem, you tell her that she should speak with someone in the Customer Service Department. **You try to keep her on the phone, however, to convince her to use your department to replace her tile floor and muster up your true salesman's pitch. You finally connect Mrs. Garcia with the Customer Service Department.**

CUSTOMER SERVICE REPRESENTATIVE – RELIABLE DEPARTMENT STORE

Your part comes immediately after the floor covering salesman. You have been handling customer complaints for quite a long while now and feel you are pretty good at your job. Most of the time, you make sure you understand the problem and are clear with what information you have. Sometimes, however, you get rushed and quickly tell people what to do. When the phone rings and you hear about Mrs. Garcia's problems, you are trying to handle two calls at once. **You quickly tell her that she may either bring in her refrigerator for replacement or wait three days for a service man to come to her home since you know the service department is overloaded with calls this week.**

WRITING A LETTER OF COMPLAINT

GOALS:

1. To develop skills in filing a formal complaint by mail
2. To learn to write a business letter

GROUP SIZE:

Five to thirty

TIME REQUIRED:

Twenty minutes to one hour for letter writing

Ten minutes for pair-sharing

Twenty minutes to one hour for group-sharing

MATERIALS UTILIZED:

Pencils and paper

PROCESS:

1. The leader suggests that writing a letter is one way to file a complaint. It is more formal than a phone call and has the advantage of producing a written record of the complaint.
2. This exercise should be tried *after* the other exercises in this section. It is to be used as a *review* of the previous exercises.
3. The leader either hands out copies of the Complaint Situation to the group or reads the Complaint Situation to the participants.
4. Leader asks participants to write a letter to Handy Hardware Store filing a complaint. This letter can be written either in class or as a homework assignment.
5. For the pair-sharing the leader divides the group into pairs. Pairs should trade their letters and evaluate each other's work.
6. For the group-sharing, leader conducts a general discussion covering major points on how to file a complaint by letter.

TIPS FOR THE LEADER:

A. This exercise is used as a review. It should be done *after* the general discussion-lecturette "How to Make a Consumer Complaint" as well as after the phone call and/or personal visit role plays.

B. In the pair-sharing, participants should be encouraged to compare and discuss their opinions of each other's work.

C. In the group-sharing leader conducts a discussion reviewing techniques of filing a complaint by mail (see page 103).

D. Leader may ask participants to discuss similarities and differences in filing complaints by mail, phone call or personal visit.

E. After participants have completed this assignment, the leader may wish to have each participant write an additional letter concerning any personal consumer complaint he may have.

COMPLAINT SITUATION

Mr. Jones brought himself an electric drill for $15.95 at Handy Hardware Store, when he was on vacation in Florida. The appliance worked fine for the first few weeks. However, by the middle of January when he returned home to Massachusetts, it was completely broken. Mr. Jones claimed that the drill had been operating with a strange noise unlike its usual sound. When he was in the middle of making a house for his dog, it stopped working completely. He knew that his guarantee claimed that the store would cover parts and labor for a period of six months after purchase date. So he decided to write a letter to the store to file a complaint.

DESIGNING ROLE PLAYS FOR COMMON CONSUMER PROBLEMS

GOAL:

To develop a role play which exemplifies a specific consumer complaint

GROUP SIZE:

Minimum of four

TIME REQUIRED:

Minimum of one hour

PROCESS:

1. See role play description, page 12.
2. The leader asks participants for personal experiences in making consumer complaints to businesses or agencies.
3. The leader chooses one of the complaint situations discussed. He questions the participant who recounted this experience about his legal rights when he made the complaint. If the participant is not aware of his legal rights, the leader may ask him to investigate them for the next session.
4. After the participant has had a chance to verify his legal rights, the group should discuss who is involved in the complaint situation (i.e., consumer, merchant, consumer protection officer). The group should also point out specific motivations of the characters.
5. The leader asks for volunteers to play the roles of the principal characters in the complaint situation.
6. Participants re-enact the complaint situation which has been discussed.
7. The leader cuts off at the appropriate time and de-roles the players.
8. The leader conducts a discussion on the most effective ways of making consumer complaints in person. Emphasis should be placed on participants gaining confidence and skill in making a complaint.
9. The leader may enact steps one through eight for additional participants and complaint situations.

TIPS FOR THE LEADER:

1. This exercise should be used primarily if the leader feels the participants would like more practice in actually making a consumer complaint in person.
2. Since the role descriptions have been discussed by the group, role play cards are not necessary for these spontaneous role plays.
3. As many re-enactments of complaint situations may be done as are desired by the leader and/or participants.
4. It is often helpful for the role players in the re-enactments to take roles different than those they actually played in real life.
5. In the discussion following the role play(s), the leader may wish to review some of the points brought out in discussion after the telephone call role play and/or the letter writing exercise.

Suggested Readings

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